

Chinese Intensify Shelling Of Vietnamese Border Posts

By Christopher S. Wren
New York Times Service

BEIJING — China intensified its shelling of Vietnamese border positions Sunday in what appeared to be the worst military clash between the two Communist neighbors in nearly two years.

Saturday, Chinese artillery units in Guangxi province opened fire on Vietnamese earthworks in response to what Xinhua news agency charged were "armed provocations" by Vietnamese troops along their common border.

On Sunday, the official news agency reported that artillery manned by Chinese troops in neighboring Yunnan province began firing at Vietnamese positions there.

"According to a report from the forward command post, the shelling destroyed the enemy's surface fortifications," Xinhua said. "The Vietnamese position is in a mess. The bombardment is still going on."

It did not report the exact locations, the scope of the fighting or casualties.

Vietnam charged Saturday that Chinese troops last week "unleashed gunfire and made incursions into Vietnamese territory."

The Associated Press reported from Bangkok.

The Vietnam News Agency charged that between Tuesday and Thursday the Chinese staged five serious incursions or launched mortar and artillery attacks on the Vietnamese border provinces of Lang Son, Hoang Lien Son and Ha Tuyen. The news agency also accused Beijing of conducting a propaganda campaign "slanderingly charging Vietnam with committing armed provocations on the Chinese border."

China's border units are armed with mortars and light artillery, and the apparent lack of regular army involvement suggested that shelling was limited. But the fighting appeared to be the most serious since May 1981, when tanks as well as artillery were involved in a clash in Yunnan province. Afterward, China claimed to have killed more than 150 Vietnamese soldiers.

While the Chinese press insisted that the current artillery shelling was purely in response to local Vietnamese provocations, some Western diplomats believed that the move was meant to disrupt Vietnam's latest offensive against insurgents in Cambodia and to drive down more Vietnamese forces at the border.

A commentary Sunday in the official People's Daily newspaper acknowledged that Chinese-Vietnamese border tensions were linked to Vietnam's drive against the Khmer Rouge guerrilla forces in Cambodia, which China has equipped. It said that whenever Hanoi launched major "aggressive military operations" in Cambodia, the Chinese-Vietnamese border became tense because of "provocations" by the Vietnamese.

On April 10, the Chinese Foreign Ministry gave the Vietnamese Embassy in Beijing a note accusing Vietnam of provocations and intrusions along the border. Vietnam responded two days later with a diplomatic note protesting 25 similar incidents by Chinese forces in the last week of March.

■ **Counteroffensive in Cambodia**
Khmer Rouge guerrillas fighting off a two-week Vietnamese drive in Cambodia said Saturday that they had launched a counteroffensive, taking control of a major Vietnamese supply line, United Press International reported from Anayathra, Thailand.

The Khmer Rouge guerrillas said they blew up four bridges along Cambodia's Highway 5 between Battambang and Moung.



Cardinal Jozef Glemp of Poland, at center praying, walked in a religious procession in Warsaw on Sunday. He appealed for action to reconcile "people from opposing camps." Behind him is a replica of Poland's Black Madonna icon that was welcomed to the city.

Polish Police Arrest 26 in Underground

Compiled by Our Staff From Dispatches

WARSAW — Police have seized at least 26 supporters of Poland's outlawed Solidarity labor union, along with radio transmitters and printing presses, in a crackdown on the underground in Warsaw and eight other cities, state television has reported.

The report Saturday said one of those seized had been plotting protests planned by Solidarity's underground leaders for May 1, the socialist labor holiday.

Meanwhile, Warsaw police armed with submachine guns broke up a crowd of about 1,000 people Sunday at an unofficial ceremony commemorating the 40th anniversary of the Warsaw ghetto uprising. They detained at least three persons, including Janusz Onyszkiewicz, a former spokesman for Solidarity.

Mr. Onyszkiewicz was led away by two plainclothes officers after giving a speech at a monument to the 70,000 Jews who were killed or captured in the 1943 ghetto uprising against Nazi occupation forces. The ceremony was organized by people refusing to take part in an elaborate anniversary sponsored by the Polish government.

Mr. Onyszkiewicz said at the gathering: "This is not a protest against anyone. It is a meeting in memory of those who started a fight against overwhelming odds." He added: "If the heroes of the ghetto were alive today, I am sure that they would join us in the fight for truth, freedom and human dignity."

Cardinal Jozef Glemp, Poland's Roman Catholic primate, met Sunday with Lech Walesa, former leader of Solidarity, in a strong show of church support for the banned union.

Speaking to 10,000 people at an

outdoor Mass in Warsaw, Cardinal Glemp appealed for action to reconcile Poland's divided people in the church's first reaction to the appeals by underground Solidarity leaders for the protests May 1.

He said that the Communist government had not responded to initiatives to open a dialogue with Solidarity, and that the Polish people were "humiliated before the world."

Cardinal Glemp said this would be a decisive year "for the future of the country and the course of its development."

"The goal of reconciling people from opposing camps can only be achieved by a long process of dialogue accompanied by action in a spirit of good will," he declared.

Speaking two months before the start of a visit by Pope John Paul II, Cardinal Glemp said it was a time for action, not words or gestures.

Cardinal Glemp later attended a religious ceremony in Gdansk, where Mr. Walesa said he met with the cardinal for 30 minutes in the parish house of St. Mary's Cathedral.

Mr. Walesa declined to discuss details of the meeting, but a reliable source said they talked about the interrogation of Mr. Walesa by police seeking information about Mr. Walesa's secret meeting with underground union leaders.

Mr. Walesa, 39, was applauded by a congregation of about 25,000 people in the church, the biggest in Poland, when he emerged after his talk with the cardinal.

Mr. Walesa's driver was released Saturday from 25 hours of interrogation in Gdansk, and a summons was issued for Mr. Walesa's

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French Austerity Measures Bring Talk of Possible Unrest

By John Vinocur
New York Times Service

PARIS — France has entered a sensitive and difficult period of deepening economic problems, disagreement over how they should be solved and recurring talk of the possibility of social unrest.

A stiff new austerity program, which attempts to reverse the high inflation and external trade deficits of the Socialist government's first expansionist year, has brought favorable comments outside France, but more doubt than confidence at home.

The plan, announced last month, has been accompanied by a rush on both the left and right of what the French call *autarcisme* — suggestions that the country is in existential trouble, dangling at the edge of a deindustrialization process like the one experienced in Britain.

Although some computer predictions give the austerity plan chances of succeeding by the end of 1984, monthly figures released Thursday showed that the government was unlikely to meet its goal of limiting inflation for the year to 8 percent, a rate substantially higher than that of France's main industrial partners.

With no signs of success at hand, and with the program's cuts in ex-

penditure expected to result in both 200,000 new unemployed and a loss in individuals' real income, Andre Bergeron, a trade union leader known for his moderation and good relations with the Socialist Party, has twice raised the specter of "discontent being expressed in the streets."

Doctors and other employees are on strike at university hospitals throughout the country, and a mine union official, Maurice Hafner, said last week that leftist discipline was "giving way to anger" among his men.

No other national political figures have used Mr. Bergeron's language, but a number of economists have said that the austerity program could turn the economy around. They predict more international borrowing at increasingly unfavorable conditions, the possibility of a new devaluation of the franc and still tighter austerity measures in increasingly precarious political circumstances.

These negative analyses ignore such signs of confidence as the excellent performance of the French stock market in recent months. But the nervousness and strong language have been such that Le Monde, the most respected daily newspaper here, reported on the franc's fall to record lows against

the dollar on Thursday with a Page One headline, "Catastrophe for France."

The "catastrophic" aspect of the rise, it was argued, lay in the dollar-denominated increase in oil prices and its negative effect on the external deficit.

Such reports have permeated public discussion, and a poll published last week showed that more people in France — about 48 percent — believe the austerity program will fail than believe it will succeed.

The program involves an attempt to reduce public and private demand by 65 billion francs (about \$890 million), or the equivalent of 2 percent of the gross national product. It is based on higher public service tariffs, higher social security contributions, a mandatory loan of 10 percent of income tax paid, and currency controls that include unpopular restrictions on travel.

These are occurring while the opposition stresses the government's difficulties and some of the left offers only halfhearted support to economic measures it finds ideologically repugnant.

This places President Francois Mitterrand in an increasingly delicate situation. Having promised the French a better life, he is now asking them to sacrifice, but without suggesting that the initial expansionary program was wrong or promising that the current course correction will succeed.

In spite of the concern among the French, evaluations by diplomats and foreign economic ana-

lysts tend to be considerably more confident. In the view of two American economists here, the austerity program has reinforced Mr. Mitterrand's reputation for pragmatism. The country itself, they say, one of great wealth and rich skills, is dealing with economic problems surely but not inherent to most old industrial countries.

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So Far, Political Good Fortune Is With Fanfani

As Socialists' Ratings and Crime Rate Drop, Government Gains in Prospects for Survival

By Henry Tanner
International Herald Tribune

ROME — Amintore Fanfani, the diminutive, quicksilver Tuscan who, at 75, took over the Italian government again in December after a 20-year interruption, has been an effective and, some say, lucky prime minister so far.

There has not been a single act of political terrorism since the start of the year, according to official accounts, thanks to the effective anti-terrorist action of previous governments.

The police and the paramilitary Carabinieri, who for almost a decade had thrown all available forces into the search for terrorists and the protection of government leaders and foreign embassies, are now free to give their attention to normal police duties. As a result, officials say, the crime rate has been falling.

The political parties are observing a truce of sorts, interrupted by rhetoric and skirmishes.

The Fanfani government is now given a reasonable chance to last until June 1984, when the next regular national election is to be held. When Mr. Fanfani took over Dec. 1, many politicians, including some from his own Christian Democratic Party, gave him about six months.

But the talk of moving the elections forward has died down, mostly because those most likely to pro-

voke a dissolution of parliament, the Socialists, have been losing ground in the opinion polls and have become more cautious.

There will be regional and local elections in June, but they will be a limited test. None of the major cities, which are the real battlegrounds of national politics, are due to vote.

The results would be upsetting for the Fanfani government only if the Socialists were to make unexpectedly large gains. Bettino Craxi, the Socialist leader, could then be expected to press his long-standing ambition to become prime minister and bring down Mr. Fanfani.

If the Socialists suffer heavy losses, they might begin to obstruct unpopular decisions even while leaving their ministers in the government.

Mr. Fanfani has been receiving a greater degree of cooperation from the political parties, including the Communists, than his predecessor, Giovanni Spadolini. Mr. Spadolini, the head of the small Republican Party, was the first Italian prime minister since World War II who was not a Christian Democrat.

During his 18 months in power, Mr. Spadolini broke with the Christian Democrats' tradition of making important government decisions through semi-secret negotiations among the secretaries of the major political parties, rather than

among ministers and in parliament. He traveled up and down the country making speeches and explaining his moves, giving the office a visibility that it had not had in the shadow of the party secretaries.

But Mr. Spadolini's small party pulled no weight and in the end his government was paralyzed, not by his own actions, but by the public quarrels between the Socialists and Christian Democrats in his cabinet. At the same time, Italy went into one of its worst economic crises since the war.

When Mr. Fanfani took over, it looked to many politicians like a return to the good old days. He is a veteran with undisputed authority within the political establishment. He is a Christian Democrat, so the office moved back into the hands of the most powerful party. He had the backing of a strong new secretary of the Christian Democratic Party, Ciriaco De Mita.

Mr. De Mita belongs to a new generation of Christian Democrats. He is seeking a revitalization of the old party by bringing technocrats into key positions and generally putting a modern approach in the place of old-fashioned politics. He has caught the attention and interest of the Italian business and financial establishment that has traditionally not been close to the Christian Democratic Party.

While Mr. De Mita is casting

about for new ways, the presence of Mr. Fanfani, one of the most established of the old politicians, is reassuring to other old-fashioned politicians in the party.

Mr. Fanfani has been helped by a growing awareness in all parties, the labor unions and private industry that something drastic must be done about the economy.

It was an ultimatum by Confindustria, the national employers' organization, that — shortly before Mr. Spadolini's fall — opened the road for progress in the crucial negotiations on the *scala mobile*, the wage-indexing system under which wages have been rising faster than the cost of living. The system has been blamed for the inability of Italian industries to compete with foreign companies.

The negotiations had been going on inconclusively for 15 months when the employers made their move and threatened to renounce the *scala mobile* unilaterally. In the end, the labor unions — although giving up very little in financial terms — permitted a change in the system that until then had been regarded by the workers as an irreversible part of the social system.

Less than two months after he came to power, Mr. Fanfani could announce that agreement had been reached. The modification of the *scala mobile* remains the most important single achievement of his government so far.

Last month, Mr. Fanfani's government was able to run through parliament a compromise package of financial legislation including the 1983 budget, making each successive vote a question of survival for the government and keeping the critics at bay. The prime minister received help from the Communist president of the Chamber of Deputies, Nilde Iotti, who resorted to a rarely used emergency procedure to declare hundreds of amendments out of order.

But the economy remains in deep trouble. Inflation last year was 16.5 percent and unemployment is more than 9 percent and rising. The government is one of the few in Europe that have not resorted to real austerity, and with parliamentary elections a little more than a year away, there is no chance that the parties will agree to any genuine belt-tightening.

When the Organization of Petroleum Exporting Countries reduced the price of oil, saving Italy as much as \$1.5 billion a year on its energy bill, the Fanfani government decided to use the saving to reduce its huge deficit and not to pass it on to the consumer.

"Italians are paying the same price for their gas as before," Mr. Fanfani said, "and they are not complaining. I regard this as a plebiscite for my government. I proved that one can govern without making speeches. I let others do the talking."

Mr. Fanfani, friends and foes agree, would like to become president when the term of Sandro Pertini expires next year. His critics say that is why he again took on the burden of the prime minister's ship. His friends say that, on the contrary, his previous job as president of the Senate — where he could be friendly with the opposition and stay above partisan battles — was a better jumping-off place for the presidency.

Mr. Fanfani said he took the job because it was pressed on him by his party. "Where would the country be if even old men shirked their duty?" he asked with a grin.



Amintore Fanfani

Special Talks Planned On Economic Summit

By Paul Lewis
New York Times Service

PARIS — The United States and its six major allies are embarking on a round of unusually intensive negotiations in preparation for their annual economic summit meeting to be held in Williamsburg, Virginia, in late May.

Preparations for the summit — which will be attended by government heads from Britain, Canada, France, Italy, West Germany and Japan as well as by President Ronald Reagan — are particularly thorough this year, officials say, because the allies hope to patch up a number of serious economic differences.

The main disagreements center on Mr. Reagan's hostility to Europe's trade ties with the communist world, the U.S. refusal to accept responsibility for gyrations in exchange rates, and the question of how best to get the world economy growing again and resolve the looming international debt crisis.

Senior European officials doubt that a full meeting of minds will be possible on most of these issues at Williamsburg. But they hope to undo some of the damage done to Western unity at last year's disastrous Versailles meeting, when differences over the Soviet gas pipeline led to an open breach between Mr. Reagan and his European allies and to U.S. trade sanctions against Britain, West Germany, France and Italy.

They also hope Williamsburg will give Western leaders a chance to coordinate positions before the industrial nations' next major confrontation with the Third World, now scheduled for Belgrade in June, when the UN Committee on Trade and Development holds a ministerial meeting. Developing countries will demand a \$70-billion crash program, including widespread debt relief and increased aid, to get the world economy moving again.

In the hope of increasing agreement at Williamsburg, the United States has called two special ministerial meetings before the summit in addition to the usual preparatory work.

On April 29, finance ministers

from the United States, Britain, France, West Germany and Japan will meet privately in Washington, during a regular session of the World Bank Development Aid Committee. On May 10 and 11, finance and trade ministers from all seven countries plan talks in Paris.

On May 8, also in Paris, Western energy ministers at a meeting of the International Energy Agency will review Western Europe's growing dependence on Soviet natural gas, which has greatly worried the Reagan administration. Then the seven summit countries will hear the views of the rest of the Western world about the world economy at the annual ministerial meeting of the Organization for Economic Cooperation and Development.

In addition, heads of government attending the Williamsburg summit will be able to draw on special studies of the strategic implications of trade with the East. These are being prepared by the North Atlantic Treaty Organization, the OECD and the IEA. The allies undertook to make these studies at the end of last year after Mr. Reagan agreed to lift his pipeline sanctions.

Of all the items on the Williamsburg agenda, European governments are most apprehensive about East-West trade because they fear that Mr. Reagan will demand new curbs that they are not prepared to accept.

So far, officials say, work on the NATO study has merely confirmed that Washington and Europe have very different points of view. The Europeans argue that trade promotes peaceful relations and encourages the development of a more pluralistic society in the communist world, while the Reagan administration worries that trade will enhance Soviet military capability.

West European governments have been alarmed by the tough language the U.S. administration wants to write into the Export Administration Act, which regulates U.S. trade with the East bloc, when it comes up for renewal late this year. And they are still resisting U.S. pressure to revise NATO's

Kohl Plans June Visit to Moscow, Will Urge Reagan-Andropov Talks

By William Drozdzak
Washington Post Service

BONN — Chancellor Helmut Kohl of West Germany plans to visit Moscow in June to explore the possibility of a summit meeting between Yuri V. Andropov, the Soviet leader, and President Ronald Reagan, according to officials here.

Following Mr. Kohl's return home Saturday from a one-day working trip to Washington, government spokesmen confirmed that the chancellor wanted to go to Moscow soon. They said he will try to persuade Soviet leaders that unless progress is achieved quickly in the Geneva talks on medium-range nuclear weapons, the West will proceed with plans to deploy American nuclear missiles later this year in Europe. The plans include the installation of Pershing-2 missiles on West German territory.

On a trip last November to Washington, Mr. Kohl proposed an early summit meeting between U.S. and Soviet leaders, saying it could help establish a personal relationship between Mr. Reagan and Mr. Andropov that might lessen East-West tensions.

The West German government advocates a superpower summit as perhaps the only plausible format

for securing a breakthrough in the stalled arms negotiations in Geneva.

Before leaving Washington, Mr. Kohl repeated his government's support for a Reagan-Andropov meeting and said "personal contacts continue to be important."

On the flight back to West Germany, Mr. Kohl reportedly wants to revive fuel talks with Bonn. Page 2.

many, Mr. Kohl declined to say whether he would be taking a message from Mr. Reagan to the Soviet leader but stressed that the two men did not need a mediator.

West German officials, however, conceded that the upcoming visit to Moscow could be perceived as a "sort of reconnaissance mission" on the prospects for a summit meeting.

Mr. Kohl's primary objective in meeting Mr. Andropov, the German officials said, would be to persuade the Soviet leader that Moscow must begin now to negotiate seriously in Geneva if it wished to achieve a settlement that would stop deployment of new missiles in Western Europe.

Chancellor Kohl has said repeatedly that, regardless of public opposition, the Pershing-2 missiles

would be installed in West Germany this December as scheduled unless an arms-control agreement is reached.

Mr. Kohl's advisers say he was greatly pleased by Mr. Reagan's recent decision to propose an interim compromise in the Geneva negotiations. They said Mr. Kohl believes further signs of flexibility by the United States could help reduce the scope of an expected barrage of anti-missile protests in Europe this year.

Mr. Kohl's trip to Moscow in June is intended to demonstrate to the peace movement that he is doing all he can to encourage an accord between the superpowers that would restrict the number of missiles deployed in West Germany, if not keep them out of the country altogether.

The timing of the visit also is considered important because West German officials believe some movement in the arms talks must occur soon if an agreement is to be achieved before the missiles are stationed.

In addition, Mr. Kohl wants the trip to Moscow to occur before the West German Parliament begins its summer recess at the end of June. Mr. Kohl previously was not ex-



President Ronald Reagan briefed reporters on talks with Chancellor Helmut Kohl, left, who later returned to Bonn.

pected to visit Moscow until fall.

In an interview for West German television filmed after his session with President Reagan, Mr. Kohl said, "We want to negotiate. The Americans have made proposals and the Soviet Union has rejected them. I share the American president's view that this cannot and must not be the last word."

He added, "I am quite certain that the Americans are negotiating seriously and earnestly." He also praised the close consultations that the Reagan administration has maintained with its European allies, saying, "I cannot imagine that one can do more to inform one's allies than the Americans are now doing."

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Diplomats Say Athens and Nicosia Seek a New UN Plan for Cyprus

By Andriana Ierodiakonou
International Herald Tribune

ATHENS — President Spyros Kyprianou of Cyprus has secured the backing of the Greek Socialist government of Andreas Papandreu in seeking a new United Nations peace plan for Cyprus.

Word of Mr. Papandreu's support emerged from interviews with senior Cypriot and Greek diplomats during Mr. Kyprianou's one-week visit to Athens for consultations with the Papandreu government. Mr. Kyprianou's trip ended Thursday.

In the summer of 1981, when he was opposition leader in Greece, Mr. Papandreu rejected UN proposals for a federation-style settlement on the divided eastern Mediterranean island. The proposals had been approved by the con-

servative government at the time, but withered when the Socialists came to power in the October 1981 general elections.

According to former Foreign Minister Constantine Mitsotakis, the 1981 proposals — in a plan put forward by Kurt Waldheim, then UN secretary-general — were endorsed by both Washington and Moscow.

Mr. Mitsotakis said that Mr. Papandreu had persuaded Mr. Kyprianou to seek a better arrangement with the help of the Socialists after the Greek elections. The UN proposals provided for a sharing of executive powers and territory on Cyprus with the island's 18-percent Turkish Cypriot minority.

According to Mr. Mitsotakis, the Waldheim proposals included a bi-

zonal settlement, with 25 percent to 30 percent of the territory going to the Turkish Cypriot minority and 70 percent to 75 percent to the Greek Cypriot majority.

Executive power would be exercised by a strong, six-member central council, comprised of four Greek Cypriots and two Turkish Cypriots. The plan also provided for a weak presidency, alternating between a Greek Cypriot and a Turkish Cypriot.

Disclosures about Mr. Waldheim's proposals fueled speculation in 1981 that a peace plan would emerge. But his ideas were officially called an "evaluation paper" designed to inject new life into the UN-sponsored talks.

Senior diplomatic sources indicated that the government of Cyprus, with the backing of Athens, now seeks an improved UN peace formula.

Foreign Minister Nikos Rolandis of Cyprus said that recent contacts with Washington officials visiting the region indicated renewed interest on the part of the United States in supporting such an initiative.

Concrete developments could be expected within the next three months, Mr. Rolandis said.

Meanwhile, the Kyprianou government plans to raise the Cyprus issue before the UN General Assembly in May, despite Turkish warnings that such a move would damage chances for a settlement.

The issue is expected to be debated May 9.

While in Athens, Mr. Kyprianou met with both Mr. Papandreu and President Constantine Caramanlis, a conservative, who has called for the drawing up of an acceptable peace formula by the Greek side.

A year ago, when he became the first Greek prime minister to visit the island, Mr. Papandreu said talks were fruitless when carried out in the shadow of Turkish occupation troops.

His own approach relied on the "internationalization" of the Cyprus issue, with West European support. When he visited Cyprus, Mr. Papandreu called on such figures as former Chancellor Willy Brandt of West Germany to act as "catalysts" in the process. Mr. Papandreu went on to quarrel seriously with Mr. Kyprianou for continuing to place too much emphasis on the UN dialogue and too little on the "internationalization" approach.

Diplomatic observers link Mr. Papandreu's current change of heart to Mr. Kyprianou's re-election in February with a 57-percent majority.

There has also been a lack of West European enthusiasm for undertaking any independent initiative on Cyprus, Mr. Kyprianou said.

At the recent Leipzig trade fair, in East Germany, several West German industry officials said there were signs that the Soviet Union and East Germany would favor West Germany in awarding contracts.

Moscow Seen to Want Fuel Pact With Bonn

By John Tagliabue
New York Times Service

BONN — Soviet officials plan to revive discussions of a proposal for West Germany to deliver synthetic fuel plants to the Soviet Union in return for energy supplies, according to an authoritative energy newsletter.

Industry officials and trade experts said the report Saturday was the most recent indication that Moscow may be seeking to mollify the government of Chancellor Helmut Kohl by offering trade agreements.

The newsletter, Bonner Energie-Report, quoted unidentified Soviet officials as having said that Moscow would offer contracts worth \$16.5 billion to build the plants in the Kansk-Achinsk lignite field of southern Siberia.

The vast reserves of low-grade coal in that field cannot be transported economically to consumers and must be used locally, either as fuel in huge power stations next to the strip mines or in plants converting the lignite into synthetic liquid fuel.

The newsletter said talks would take place later this month in connection with an energy trade fair in Hamburg. The Soviet Union is understood to be sending a large delegation.

But the newsletter said it was unlikely that major contracts would be signed soon and that the agree-

ment, if concluded, would be implemented "step by step, stretched out over time" to avoid "great fanfare."

West European nations remain under pressure from the United States to reduce technology exports to the Soviet bloc.

(In Washington, a spokesman for the State Department had no comment Saturday on the report from Bonn.)

Talks on the liquid fuel plants have been held in Moscow and in Bonn since the late 1970s. They were revived in 1981, after the formation of a joint energy commission, and a visit to Moscow by Economics Minister Otto Lambsdorff.

But an executive at a company that builds the plants said the talks had made little progress, and their revival appeared to have political significance.

Other officials placed similar interpretations on the signing last month of an accord between Moscow and Ruhrgas, the West German gas company, for the delivery of 22.3 billion cubic feet of gas a year for 25 years to West Berlin, beginning in 1985.

The contract was part of the deal for the Siberian gas pipeline, from which a spur through East Germany will deliver gas to West Berlin.

Mr. Kohl is now expected to visit Moscow in June. But it is thought unlikely that he will conclude any major agreements on energy, especially at a time when the possible stationing of American missiles in Europe has made trans-Atlantic ties particularly sensitive.

At the recent Leipzig trade fair, in East Germany, several West German industry officials said there were signs that the Soviet Union and East Germany would favor West Germany in awarding contracts.

Paris Printing Office Fire

PARIS — Firemen fought for more than four hours late Friday before bringing under control a blaze that destroyed about 1,000 tons of paper in the national printing office in Paris. Officials said Saturday they suspected arson.



At a rally in Bangkok, a candidate of the People's Coordinating Committee for Democracy campaigns for Monday's elections, in which voters will weigh the military's role.

Thais to Vote on Democracy Issue But Military May Cast Final Ballot

By Bob Secor
Los Angeles Times Service

BANGKOK — Not long ago, Thailand's largest newspaper, Thai Rath, printed a cartoon showing a creature emerging from a spaceship and saying to a sarong-clad Thai peasant:

"I am E.T. From another planet. I want to meet your leader."

The peasant, scratching his head, replied: "No use, because even we don't know who the real leader is."

When Thais go to the polls Monday to choose a new government, they may need the powers of an extraterrestrial to help decipher the results and determine who will lead their unusual political system.

The election is shaping up as a test of whether Thais want a government dominated by professional politicians or by soldiers. Soldiers have been in power for most of the last half-century.

The army has the power to undo any electoral setbacks suffered by its forces in Parliament, and a military coup is always a distinct possibility.

But the fact that there are going to be parliamentary elections at all — ones that, in effect, will be a referendum on military control — indicates how loose a rein the generals are keeping on government and on everyday life.

Technically, Thailand is a military dictatorship, but it is a relatively benevolent one. Freedom of speech is virtually unlimited, except for prohibitions against attacks on the royal family. The press is among the freest in Asia and, as the Thai newspaper cartoon indicates, the media make regular use of their right to criticize, question

and even ridicule the government and the military.

Leaders rarely try to ramrod their programs through and are often so preoccupied with reaching consensus on an issue or project that little gets done.

Political protest also has an impact. Last November, for example, the government rolled back a much-needed fare increase for the debt-ridden Bangkok bus system after students demonstrated peacefully in the streets.

The head of the government, General Prem Tinsulanonda, has been in office for more than four years, a significant tenure in a country with a history of coups.

Political analysts agree that the secret to Prime Minister Prem's staying power is his weakness. He rarely takes a public stand on important political questions and so has been able to stay on as a compromise prime minister acceptable to both the military and the major political parties.

If appearances reflect reality, the most powerful figure in the government is General Arthit Kamlang-ek, whose star has risen dramatically since he played a key role in crushing the so-called Young Turks' coup attempt against the Prem government two years ago. Last year, General Prem made General Arthit commander in chief of the army.

General Arthit has sworn allegiance to Prime Minister Prem, but the question of whether he has designs on General Prem's office has become a matter of intense public speculation. Some associates acknowledge that he would take the job if the new Parliament, following Monday's elections, is pro-military.

One problem for General Arthit is that he and the military establishment just suffered a defeat in Parliament on important constitutional revisions they had sought.

A government blueprint enacted five years ago in effect guarantees military control over Parliament, which in turn picks the prime minister.

But in an effort to edge the country closer to real democracy, the constitution's drafters put in a provision that was to have changed the rules well in advance of the election, which was then scheduled for June 12. The provision was aimed at strengthening the role of

the political parties and diluting the influence of the armed forces.

Declaring that the country was not ready for such sweeping reform, General Arthit mounted a drive to head off the scheduled change. But to the surprise of most political observers, Parliament last month rejected his move and voted to go ahead with the new rules as planned.

Academics and newspaper editorial writers heralded the vote as the coming of all-out democracy in Thailand. But the euphoria lasted only a few days.

On March 19, Prime Minister Prem, who had kept aloof from the constitutional debate, counter-signed a decree with King Bhumibol Adulyadej that moved the elections ahead to April 18 — three days before the new rules are to go into effect.

The reason for the switch, according to the decree, is to avoid electoral chaos.

Leaders of some of the major political parties protested and moved to make the early election the focus of the campaign.

Western diplomatic sources who follow Thai politics said it appeared that the military, in engineering an early vote, was trying to take advantage of the favorable election rules before it was too late and then get what it hopes will be a pro-military Parliament to rescind the reforms.

Whether the public cares or understands what is going on in the highly confusing Thai political system is open to debate. In the last election, fewer than 20 percent of Bangkok's eligible voters cast ballots. There were 36 political parties competing for seats in the lower house of Parliament alone.

26 Arrested In Poland

(Continued from Page 1)

spokesman, Adam Kinszewski, to appear for questioning Monday.

The driver, Mieczyslaw Wachowski, said he had told police nothing about Mr. Walesa's meeting a week ago with fugitive union leaders. Mr. Walesa was questioned for five hours Wednesday and his wife, Danuta, for three hours Thursday, but they also said they had told police nothing.

Belgium to Seek Further Austerity

BRUSSELS — The Belgian government will seek an extension of its special powers until the end of 1983 to carry through an austerity program to counter the effects of the recession.

A statement issued after a cabinet meeting Friday night said the government would ask Parliament to approve a bill allowing it to continue ruling on economic and financial matters without seeking legislative approval. The measures, first approved in February 1982, would extend to March 1984.

The center-right coalition led by Prime Minister Wilfried Martens used the special powers last year to impose controls on wages, increase taxes and cut the budget deficit by severe cuts on public spending. The government has a comfortable majority in Parliament, and the bill is expected to be passed without much difficulty, political sources said.

14 Die in Sudan Crash

CAIRO — A Liberian passenger plane suffered a technical malfunction shortly after taking off Saturday from Khartoum airport in Sudan and crashed into a house on the city's outskirts, killing 14 persons.

WORLD BRIEFS

Bonn Probes Sea Rescue by Soviet

SINGAPORE (Reuters) — West Germany is investigating reports that a Soviet ship and nuclear submarine saved four survivors of a crippled West German-owned yacht adrift in the South China Sea after it was attacked near the islands.

The reports from an unidentified cargo vessel and an amateur radio operator in Malaysia came almost a week after the 31-foot (10-meter) yacht was shelled and set ablaze as it neared one of the islands in the Spratly group. The cargo ship said it had picked up a message from a Soviet freighter that it had rescued the four survivors of the yacht between the Spratlys and Vietnam.

A Malaysian ham radio operator said he had intercepted a message from a Soviet nuclear submarine that went to the assistance of the yacht. He said he heard the submarine telling the survivors that they were sending frogmen to rescue and transfer them to a Soviet freighter. He said the message also indicated that the submarine completed its rescue operation Friday.

Singapore officials and the West German Embassy here discounted the involvement of the Soviet submarine in the rescue but said they were taking seriously the message from the Soviet freighter.

Kissinger Hopeful on Mideast Plan

ROME (UPI) — Former U.S. Secretary of State Henry A. Kissinger said Sunday the Reagan peace initiative for the Middle East was not dead despite the recent refusal by King Hussein of Jordan to enter into negotiations with Israel.

Mr. Kissinger made the assessment after leading a discussion of East-West relations at the annual conference of the Trilateral Commission, an unofficial discussion group of North American, European and Japanese intellectual, business and political leaders.

"I do not believe that the Reagan initiative is dead," he replied when asked about Hussein's announcement last week that he had not reached agreement with Yasser Arafat, chairman of the Palestine Liberation Organization, on a joint approach to peace talks. "I believe what we are witnessing now is a very complicated process," said Mr. Kissinger, who has just completed a tour of Middle East nations.

Oil Slick in Gulf Spreads Farther

BAHRAIN (Reuters) — Much of the oil slick in the Gulf is still in Iranian waters, but it has spread to an area of at least 8,000 square miles (20,720 square kilometers), environmental officials said Sunday.

The information was based on reports from helicopters and satellites monitoring the movements of the slick. Iran and Iraq have failed to agree on terms for a cease-fire to cap crippled Iranian wells, which are in the war zone between the two countries. Each day for at least six weeks, at least 2,000 barrels of oil have been pouring from the wells.

Foreign ministers of the Gulf Cooperation Council — made up of Bahrain, Saudi Arabia, Qatar, Oman, the United Arab Emirates and Kuwait — reached broad agreement Saturday in Doha, Saudi Arabia, on efforts to combat the slick. But Bahrain's foreign minister, Sheikh Mohammed bin Mubarak al-Khalifa, said no specific decisions had been reached.

Israeli Envoy Sees Syrian Threat

WASHINGTON (Reuters) — Defense Minister Moshe Arens of Israel said Sunday that Israeli forces were on "fairly high alert" over what he described as an increasing Soviet presence in Syria. Israel, he said, is prepared for the possibility of hostile Syrian action against Israel and Lebanon.

Mr. Arens said that the Middle East peace process was not dead, however, and that he thought an agreement between Israel and Lebanon was not too distant. However, he said the Soviet presence in Syria, including new SA-5 missiles operated by Soviet personnel, was a matter of "very great concern."

In a U.S. television interview from Tel Aviv, Mr. Arens said: "The situation has clearly been destabilized, and it may be that they do have some plans for hostile action against Israel and Lebanon. It's something that we are concerned about, and we are in a fairly high state of alert."

Mugabe Plans Industry Takeovers

HARARE, Zimbabwe (Reuters) — The government plans to extend its participation in the economy, now dominated by the minority white community, according to Prime Minister Robert Mugabe.

In an article for his party newspaper, the Zimbabwe News, Mr. Mugabe said the state would acquire all or most shares in the fuel procurement and milling industries, national transport and other, unspecified sectors.

For the Record

BEIRUT (Reuters) — France and Lebanon have signed a long-term loan agreement worth 600 million francs (\$82 million) for French military equipment for the Lebanese Army.

CANBERRA, Australia (Reuters) — Prime Minister Zhao Ziyang of China arrived Sunday for a six-day visit that is expected to be dominated by trade and economic matters.

NEW DELHI (UPI) — India launched a remote sensing satellite into orbit Sunday aboard an Indian-made SLV-3 rocket, comparable to the U.S. Scout, that experts said could be redesigned as a nuclear missile.

ATHENS (AP) — A Turk was charged Sunday with obstructing air communications in the hijacking of a Turkish Airlines jet to Greece on Friday, officials said. Mahmoud Kalkan, 25, was also charged with illegal possession of weapons and detention of 114 passengers and crew.

France's Austerity Moves Raise Specter of Unrest

(Continued from Page 1)

the austerity program will affect French military spending, French Air Force participation in a training exercise in Nevada was canceled last week, reportedly for cost reasons.

But Mr. Mitterrand's Atlantic-oriented foreign policy and his apparent control of the Communists in his government — they said nothing about the explosion earlier this month of 47 Soviet officials accused of espionage — have made him a difficult target for the right on security issues.

Mr. Mitterrand said Thursday, during a visit to Switzerland, "Soviet overarmament is a matter no one disputes, and it's strengthened my will to arm my country even better."

Mr. Mitterrand, whose term runs until 1988, does not face any national elections until those for the National Assembly in 1986. The coming three years without electoral challenge are usually described as one of his sources of strength, but they could also develop as a cause of frustration in difficult times.

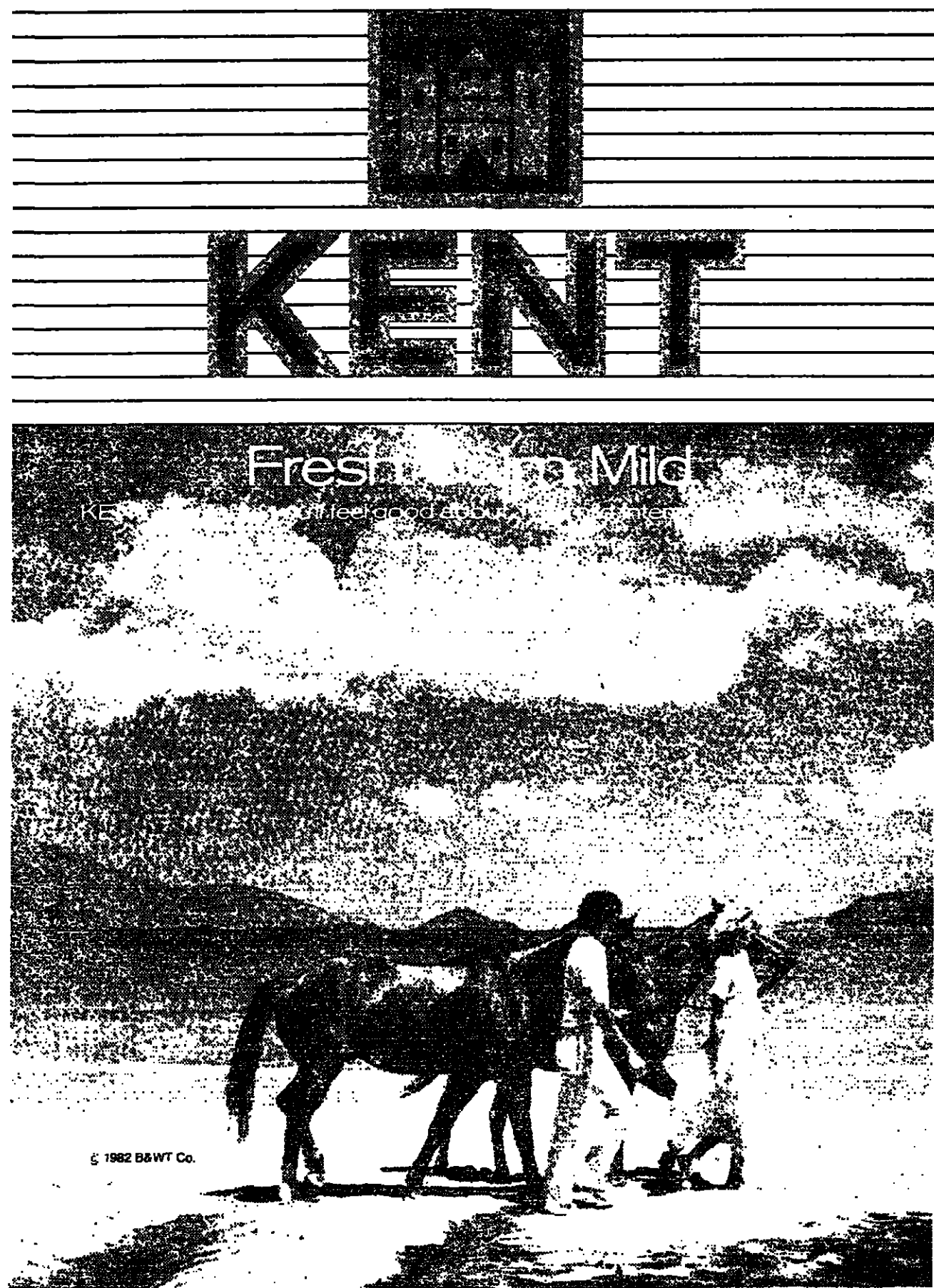
Although it remains largely silent, the left wing of the Socialist Party, which would prefer more protectionism to the austerity program, might also furnish a source of friction.

The issue at the center of the economic malaise goes back to decisions taken just after the Socialist came to power in the spring of 1981. Thinking it could spur the economy by pumping money into it, and at the same time create a fairer distribution of wealth, the government increased the minimum wage by 10 percent, old-age pensions by 20 percent, automatic benefits for large families by 25 percent and housing allowances by 25 percent.

Programs were also announced that would create up to 200,000 public-sector jobs and nationalize major sectors of French industry. The result was an unemployment growth rate slower than that of countries like the United States or West Germany but double-digit inflation that produced a large foreign trade deficit. Because of the weakness of French industry in many sectors, much of the new money in circulation was used to pay for imported goods.

The inflation and deficits weakened the franc and required foreign borrowing, so that official foreign indebtedness at the end of 1982 was at 235 billion francs.

Whatever caused the Socialist economic program's lack of success, corporate profits have fallen and the volume of corporate investment dropped by 7 percent last year.



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Clark-Baker Rivalry Apparently Affecting Reagan's National Security Program

By Lou Cannon
and David Hoffman
Washington Post Service

WASHINGTON — At the first White House meeting of the President's Commission on Strategic Forces earlier this month, Alexander M. Haig Jr. leaned over to the national security adviser, William P. Clark, and Defense Secretary Casper W. Weinberger and said, "You see my guerrilla is still here, and he's alive and well."

He was referring to the White House chief of staff, James A. Baker 3d, who was Mr. Haig's nemesis in his volatile year and a half as secretary of state and whom Mr. Haig had once labeled a "guerrilla in the White House." Mr. Clark laughed at Mr. Haig's quip but recognized the serious point that lay behind it.

It touched on a festering problem at the top of the administration, one that may profoundly influence the outcome of President Ronald Reagan's efforts to continue his military buildup, with congressional approval for deployment of the MX missile and bolster anti-communist forces in Central America. As the president battles with Congress on these and other issues of national security and foreign policy, Mr. Clark and Mr. Baker have emerged as rival architects of strategies to accomplish Mr. Reagan's goals.

Mr. Clark contends that the president can advance his aims best by defining them sharply and repeatedly, even at the risk of appearing excessively militant. Mr. Baker, more evidently a political person, believes Mr. Reagan can make greater gains by demonstrating that he is flexible and willing to make concessions.

It is a match between two soft-spoken attorneys whose courtly manners mask a highly competitive approach to their work in the White House. They share similar conservative goals, but their methods of achieving them are quite different, according to senior administration officials who discussed the rivalry on condition that they not be quoted.

The officials point out that Mr. Reagan has delegated much authority to both men, so the rivalry has significant consequences for Mr. Reagan's policies. This was demonstrated earlier this month



James A. Baker 3d



William P. Clark

when the president, tugged in different directions by the two men's staffs, did not move until too late in an attempt to strike a military-spending compromise with Congress.

The rivalry is of particular importance because Mr. Reagan, after two years of emphasizing domestic economic issues, is giving top priority, for now, to national security matters.

This shift has altered the balance of power in the high councils of the White House. The deputy chief of staff, Michael K. Deaver, whose authority stemmed from his personal closeness to Mr. Reagan and his control of the schedule, no longer determines how much time the president spends on national security.

The main battles now are between Mr. Baker and his chief deputies, notably the presidential assistant Richard G. Darman, on one side, and Mr. Clark and his deputy on the National Security Council, Robert C. McFarlane, on the other.

The White House counselor, Edwin Meese 3d, bruised by encounters with Mr. Baker and Mr. Deaver, has become a low-profile adviser who has solidified a long-standing personal relationship with Mr. Clark.

Mr. Weinberger, who became Mr. Reagan's finance director in California partly at Mr. Clark's urging, is also a firm ally of the national security adviser.

In the eyes of Mr. Baker and his

deputies, Mr. Clark — and Mr. Weinberger — are long on ideology and short on appreciation of the difficulties of mobilizing public opinion and Congress behind Mr. Reagan's programs. Mr. Clark's critics say he lacks political realism and develops policies without consulting other White House officials.

To Mr. Clark's camp, Mr. Baker and Mr. Darman are imbued with

the idea that Mr. Reagan will be seen as "a fingoistic warmonger" if he speaks out on national security and talks candidly about a U.S.-Soviet confrontation. Mr. Baker's critics give him high marks for political acumen but complain that he has little understanding of, or interest in, weapon systems or defense.

These are the caricatures. While some administration officials acknowledge that there is truth to them, the reality is more complex.

Mr. Clark, for instance, has shown concern for the necessity of building a political coalition behind the MX missile. Mr. Baker, who is sometimes portrayed as having no ideology, agrees with Mr. Clark on the necessity of preventing another communist regime from coming to power in Central America.

Mr. Baker, 52, has played a public role as a campaign adviser to Gerald R. Ford and George Bush and as a candidate for attorney general in his native Texas. Mr. Clark, 51, is a private, behind-the-scenes person whose deliberate lack of visibility as national security adviser has been a source of complaints in other quarters of the White House.

In December, Mr. Clark thought seriously of returning to his California ranch, and talked to Mr. Reagan about resigning. The president asked him to stay.

Mr. Clark is so close to Mr. Reagan that other White House officials are reluctant to challenge him openly. Soon after his appointment as national security adviser, one official called a veteran California politician and asked his view of Mr. Clark.

"It's said that Reagan loves Deaver like a son but he treats Clark like a brother," the politician replied. "Don't get in his way."

The competition between Mr. Clark and Mr. Baker came to the fore during the critical negotiations with the Senate Budget Committee over military spending. The committee voted to give Mr. Reagan a 5-percent increase over inflation in fiscal 1984, instead of the 10 percent the president sought.

In the final hours before that vote, there was a crucial, mysterious gap in communications between the Baker and Clark staffs over whether Mr. Reagan would compromise, and by how much. The Budget Committee chairman, Pete V. Domenici, Republican of New Mexico, had delayed the com-

mittee's vote for three weeks to give the White House time to come up with a compromise position. But Mr. Reagan remained firm in his demand.

Some White House officials working with Mr. Baker realized that, if Mr. Reagan did not offer a compromise, his request would be denied. The Senate majority leader, Howard H. Baker Jr., Republican of Tennessee, was particularly insistent that Mr. Reagan offer an increase of less than 8 percent.

But not until the last day did Mr. Reagan tentatively agree to two compromise suggestions, administration sources say. One, called the Tower-Clark option, was similar to the suggestion for an 8-percent increase by the Senate Armed Services Committee chairman, John G. Tower, Republican of Texas. The other, by Howard Baker, which was supported by James Baker, called for a 7.5-percent increase.

But, in a revealing delegation of authority, Mr. Reagan made both offers conditional on Mr. Weinberger's approval. This condition was supported by Mr. Clark, officials said.

At about noon, according to all accounts, the White House budget

director, David A. Stockman, gave Mr. Clark the dollar figures for each option, and Mr. Clark wired them to Mr. Weinberger at the Pentagon.

At this point, the accounts diverge. James Baker and his staff were under the impression that Mr. Weinberger would choose an option and relay the decision to Senator Domenici. Mr. Clark and his staff thought Mr. Baker's people would carry word to the senator.

An hour before the voting began, officials on both sides began to get nervous. Mr. Baker tried to telephone Mr. Weinberger. Mr. Clark asked Mr. Baker's deputy, Mr. Darman, "What is the story?" Mr. Darman did not know.

Shortly before the vote, Mr. Weinberger was located in the West Wing and brought to the Oval Office. He was sanguine about defeat, saying the budget resolution was nonbinding and the money could be recovered later in other committees. Others in the room, however, including Mr. Baker and Mr. Darman, were distressed at losing a vote they felt would be difficult to reverse.

It was clear then that the compromise numbers had not gone to Mr. Domenici. It was also clear

that, in the critical hours before the vote, neither Mr. Baker nor Mr. Clark had taken charge of the negotiating.

A rescue was attempted. Mr. Weinberger accepted an offer of 7.9 percent. Mr. Reagan then called Mr. Domenici just minutes before the vote. The offer only antagonized the senator, and he led the committee to vote for a 5-percent increase.

This decision may ultimately be reversed in the Republican-controlled Senate. But the setback for Mr. Reagan illustrates the depth and impact of the Baker-Clark conflict.

Pentagon Aide Suggested Ex-Client as Possible Supplier

By Jeff Gerth
New York Times Service

WASHINGTON — Richard N. Perle, an assistant secretary of defense, recommended that the army consider buying weapons from an Israeli company a year after he accepted a \$50,000 consulting fee from the company's owners, according to Mr. Perle and an attorney for the weapons dealer.

Mr. Perle, who is assistant secretary for international security policy and one of the most influential policy-makers in the Pentagon, acknowledged in interviews that he received the consulting fee the same month he entered the government in 1981.

He also acknowledged that in his official capacity he wrote a memorandum to the secretary of the army in 1982 urging evaluation of the Israeli company's weapons.

But he said he had done nothing wrong because the fee was paid for work he performed before he joined the government and because he told the secretary of the army in the memorandum that he had worked for the Israeli arms manufacturer.

Mr. Perle, who worked on the transition team in late 1980 that brought President Ronald Reagan to office, joined the administration and accepted the \$50,000 in March 1981.

He said that he had several other military consulting contracts in early 1981, including a \$5,000 agreement with TRW Inc., a major U.S. military contractor.

The company's files show that Mr. Perle signed a one-year agreement with TRW on April 1, 1981,

eight days after he began work at the Pentagon. The company said it canceled the contract as of June 30, and on June 25 paid Mr. Perle the \$5,000.

Mr. Perle said that TRW's files were in error and that the \$5,000 fee was for work he did before entering the government.

Federal laws on conflicts of interest prohibit government employees from acting in areas where they have a personal financial interest. Defense Department rules on standards of conduct require officials "to avoid any action which might be reasonably expected to create the appearance of using

public office for private gain or giving preferential treatment."

Similar rules apply to officials elsewhere in the government. Many government officials once worked for companies that do business with their departments or agencies. They usually disqualify themselves from matters involving former clients or employers.

Mr. Perle's influence in the Reagan administration far exceeds that normally held by an assistant secretary of defense. In the transition, he was able to place associates in important national security positions, and in the Defense Department he has played a major role in creating policies on arms

control and trade with the Soviet Union.

The Israeli arms dealer, Shlomo Zabudowicz and his son, Chaim Zabudowicz, became clients of Mr. Perle in 1980. They paid \$90,000 to the Abington Corp., a consulting company where Mr. Perle worked that was owned by John F. Lehman Jr., now the secretary of the navy.

In January 1982, nine months after Mr. Perle says the Zabudowicz stopped being his clients, he settled with Abington and received a portion of the \$90,000 fee. In addition, he received the \$30,000 in March 1981.

Daniel J. Spiegel of Washington, a lawyer who represents the Zabudowicz, said his clients had hired Mr. Perle as part of a strategy to gain a foothold in marketing various weapons and ammunition to the U.S. Defense Department.

A TRW spokesman in California said that, in addition to showing that Mr. Perle was retained to work for the company at a time he was working in the Pentagon, the contract in the company's files called for Mr. Perle to provide "analyses and recommendations concerning strategic and tactical requirements and other national defense areas." Those are subject areas that overlap Mr. Perle's official duties.

Health Plan for Jobless Divides White House

By Robert Pear
New York Times Service

WASHINGTON — The Reagan administration is divided over what type of medical assistance, if any, to provide to jobless workers, according to officials in the executive branch and Congress.

As a result, President Ronald Reagan has yet to announce any specific proposals, and Congress has taken the initiative.

On Capitol Hill there is strong bipartisan support for steps to provide health care benefits for the unemployed. Four Republican senators are prodding the president to respond to what they see as a serious national problem.

The issue is emerging as the first big test for Margaret M. Heckler, the new secretary of health and human services, who is trying to obtain Mr. Reagan's support for proposals that would provide medical care for the unemployed. The cost of the proposed program would range from \$500 million to \$1 billion a year, according to officials at the Office of Management and Budget and the Department of Health and Human Services.

David A. Stockman, the budget director, has resisted any proposals that would require federal outlays, the officials said, adding that he told his colleagues in the cabinet that health care for the unemployed should be financed through the voluntary efforts of private industry and possibly through payroll taxes on employers or through stipulations in the tax code.

But members of the Cabinet Council on Economic Affairs, at a White House meeting Thursday, agreed that that approach was not acceptable, according to a person who was at the meeting. Cabinet officers on the council asked Mr. Stockman to rethink the proposals and come back with more suggestions.

Most health insurance in the United States is provided to workers through their employers. When people are laid off, their health insurance coverage stops, generally within a month after their layoff. The Congressional Budget Office has estimated that 10.7 million people, including spouses and children of jobless workers, have lost health insurance coverage because of unemployment.

In Pittsburgh last week the president said he was concerned about the problem. He expressed a preference for a "short-term" solution: Senator Donald W. Riegle Jr., Democrat of Michigan, would amend the tax code to say that if employers wanted to continue taking tax deductions for health insurance provided to their employees they must agree to continue each coverage for at least six months after an employee loses his job. The administration appears to favor a similar approach but has not endorsed Mr. Riegle's bill, which also contains a \$3-billion package of medical benefits.

The Senate Finance Committee plans to take up the issue at a hearing Thursday, amid indications that some members of Congress have grown tired of waiting for Mr. Reagan to offer a plan.

Senator John Heinz, Republican of Pennsylvania, where 715,000 people are out of work, said in an

Owners Planning Sale Of Chicago Sun-Times

By Andrew H. Malcolm
New York Times Service

CHICAGO — Field Enterprises has announced that the Chicago Sun-Times, the eighth largest daily newspaper in the United States, is for sale.

The sale offer, announced Friday, is part of a broader corporate liquidation decided upon by Marshall Field 5th and his half-brother, Frederick W. Field. Each owns 50 percent of the company's voting stock.

The company's holdings also include broadcast properties, other print and electronic publishing ventures and real estate.

A major factor in the sale of the Sun-Times, the largest property was attributed to Frederick Field's desire "to pursue his own business interests," the company announcement said.

John Morton, an industry analyst for the Wall Street firm of Lynch, Jones & Ryan, said the decision apparently grew "out of a fight between the two Field brothers" over their business operations and investments.

"They have for a long time disagreed over basically what is the family corporation and where to invest their money," Mr. Morton said.

In a separate announcement of the sale, James Hoge, the publisher, pledged, "The successful growth program at the Sun-Times will continue full speed ahead."

The award-winning newspaper, locked in competition with the Chicago Tribune, has been spending heavily in recent years to upgrade its news coverage and content. A new format was introduced on April 4.

The paper's circulation of 649,000 is heavily concentrated in

the city. Mr. Hoge said that despite adverse economic conditions in recent years, the newspaper had achieved record-breaking profit levels and strengthened advertising and circulation.

Mr. Morton, the industry analyst, said his incomplete calculations, based on revenue, put the paper's value at "around \$250 million or so."

In a third announcement, Marshall Field said, "With deep regret I confirm that the anticipated sale of the Sun-Times will be part of the Field Enterprises restructuring announced today."

"Had this decision been mine alone to make," he added, "I probably would not have taken this action. However, the paper will now be available to someone who will have a commitment to continue publishing a vigorous, outstanding and highly respected newspaper."

■ Candidate Reportedly Interested
Bernard E. Epton, the Republican lawyer who lost to Representative Harold Washington in last Tuesday's mayoral election, is trying to put together a syndicate to buy the Sun-Times, the Chicago Tribune reported Sunday.

The Associated Press quoted the Tribune as saying Mr. Epton was trying to arrange a bid for the newspaper from Palm Beach, Florida, where he arrived Wednesday for a vacation. Attempts to reach Mr. Epton to confirm the report were unsuccessful.

Mr. Epton lashed out at reporters several times during the campaign, and at one point threatened to take legal action against what he called the "disgraceful news media." Two Sun-Times columnists, Mike Royko and Roger Simon, were among those singled out by Mr. Epton.



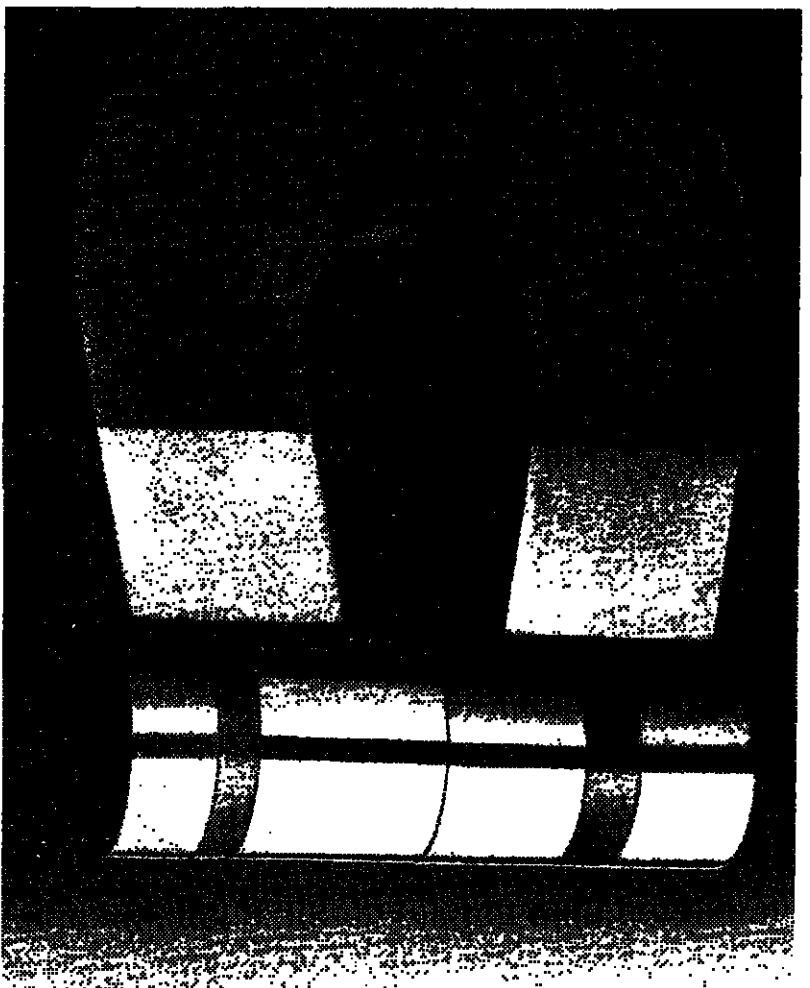
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Herald Tribune

Published With The New York Times and The Washington Post

May Day Approaches

What is new and significant in Poland is the link now established between Lech Walesa and the leaders of the Solidarity underground. They have jointly called for anti-government protest on May Day, just a month before the scheduled visit of the pope.

The link is fragile and vulnerable, but it has already given the authorities their biggest scare in months. Jerzy Urban, the government's Orwellian spokesman, announced dismissively: "Solidarity does not exist and Mr. Walesa is a private person." But private persons would not be interrogated at such intimidating length for communicating with nonexistent organizations.

Solidarity cannot hope to function as it did in its above-ground days in 1980 and 1981. It was not just a trade union but a mass movement. And Lech Walesa's authority derived from his charismatic command of the open air. He has been a power of the open air, not the underground cell.

The conditions that created Solidarity, and the resistance it embodied, live on. But the resistance has not found effective new forms of expression. The underground leadership that formed under martial law showed courage and inspired some defiance, but ultimately it succumbed to unrelenting repression. After the collapse of an attempted general strike last fall, demoralization set in. That is when the government released Mr. Walesa from detention, believing that his personal style of leadership could no longer flourish. To make sure, he was threatened with arrest every time he seemed headed toward a rostrum.

Repression, however, is never finished. General Jaruzelski can never relax. He has to perceive threat in anything that demonstrates Lech Walesa's prestige and also anything that burrows underground. What can Poland's Communists possibly observe this May Day except a universal fear?

—THE NEW YORK TIMES.

That Adelman Vote

The Senate took a rare step last week when it set aside the adverse recommendation of its Foreign Relations Committee and confirmed Kenneth Adelman as arms control director. We think the Senate made the right choice. Even when you cut out the frivolous and partisan objections to Mr. Adelman, however, few would claim that the vote was based entirely on confidence in his stature and experience.

The margin may have been provided by senators who felt it would be unacceptably damaging to President Reagan and the country, at a time when negotiations with the Kremlin were in a delicate phase, to turn down even a controversial nominee.

On the large strategic questions, Mr. Reagan is in a very difficult place. Congressional resistance to the pace of his rearmament drive reflects the weakening of the hard-line current he rode into office. Whether he will have the support for the particular piece of hardware, the MX, that he has portrayed as the centerpiece of his strategic policy remains in doubt.

Look over the American political scene and

you will not find much confidence in Mr. Reagan's conduct of the big negotiations with the Soviet Union. Already he has been considerably diverted into the unpleasant business of doing his negotiating not so much with the Russians as with the Americans (and Europeans) whose anxiety and alarm were stirred by the way he opened his presidency.

The Adelman hearings produced disquieting evidence that Mr. Reagan had allowed the arms control agency to diminish in staff, budget, research and public and bureaucratic respect. Will the administration draw the right conclusions? It is good that the secretary of state is to be drawn deeper into arms control. The bipartisan approach represented by the creation and the product of the MX commission furnishes a certain promising model. The Adelman quarrel, and not only that, should have put the president on notice that he needs to collect a consensus around him at home in order to deal more effectively, especially in negotiations, with Soviet power abroad.

—THE WASHINGTON POST.

Picking a Food Fight

Senator Jesse Helms of North Carolina may be a Republican conservative, but his commitment to free market principles does not extend to the farm. He and his Senate Agriculture Committee have produced a flag-waving bill that would at once create three ugly effects: It would embarrass President Reagan just as he prepares to meet with America's economic allies at Williamsburg next month; it would invite a bitter trade war with Europe, and it would deplete government grain stocks that are earmarked for world famine relief. The sooner the Senate dumps this wrongheaded proposal, the sooner the diplomats can get on with resolving the very real economic issues that divide the Atlantic community.

Several years of bumper crops have depressed world food prices and put great pressure on governments to dump their surpluses abroad. The European Community, which is especially generous to farmers, has been subsidizing sales to markets traditionally dominated by American exports. American farmers, encouraged by the Reagan administration's in-temperate attacks on the Community's policies, are itching to retaliate.

That gave Senator Helms his opening. He devised a classic log-roll — something for every region. The government would sell surplus dairy products on world markets at distress prices; that would relieve pressure to reduce subsidies to dairy farmers in the East and Midwest. The proceeds would be used to subsidize exports of eggs and poultry from the

South and raisins and canned fruit from the West. And the bill would withdraw 1.5 million of the 4 million tons of wheat held in the emergency food reserve and offer it as a bonus to foreign buyers of American wheat.

The first problem with the Helms idea is that it would probably boomerang. The senator apparently wants to teach the upply foreigners a lesson by undercutting their sales. But the European Community would almost certainly match American subsidies, and the resulting depression in prices would more than nullify gains in total tonnage sold.

Second, the Helms plan would leave the poorest countries more vulnerable to starvation. The emergency grain reserve, created in 1980 in response to food shortages of the previous decade, can be used only as aid for countries too poor to buy their own. With the buffer cut nearly in half, much less food would remain to be shipped quickly in moments of crisis — or at all, if Congress balked at appropriating the necessary funds.

The food export crisis is largely of Europe's making. Farm subsidies, used politically to hold the Community together, perpetuate inefficient agriculture. What is needed is a quiet commitment from Europe to rationalize its farm sector — and a quiet commitment from the United States to be patient for the five or 10 years needed to do the job with minimum pain. Bluster from Ronald Reagan and chauvinism from Jesse Helms can only hurt more.

—THE NEW YORK TIMES.

Other Opinion

'Cool It, Chicagoans'

What Chicagoans should realize is that a mayor is a mayor by any name or color. If the city survived a mayor they called Calamity Jane, it can also survive Harold Washington.

Quite a good number among white residents of the city of Chicago are squirming and wringing their hands. Others are huffing and puffing, while the reckless ones (or is it the brave ones?) are stockpiling baseball bats and explosives in their garages. The whites seem to have forgotten that they, too, are descendants of people from far-off places — Lithuania, Crimea, Sicily, Greece, Poland, Russia, etc. — and, like Mr. Washington, colonials plundering the land of the Indians.

The reason for all this hullabaloo is that an

African who calls himself an American and goes by the name of Harold Washington has become the city's mayor.

—The Sunday Nation (Nairobi).

About Gandhi and Blacks

Critics of South Africa's attitudes to race would be well advised not to seek to enlist Gandhi in their crusade. Since he had no concern whatsoever for blacks. Indeed, he was decorated for his brave part in helping put down a Zulu rising. If still alive, his principal complaint against the Boer-dominated Nationalist government would be about its discrimination against the English, for whose Empire he always felt a deep admiration.

—The Sunday Telegraph (London).

Will Nyerere Reconsider?

By Jonathan Power

NEW YORK — "In foreign capitals they call President Julius Nyerere the 'conscience of black Africa.' Scholars and statesmen from both East and West seek his advice. In more than 20 years Mr. Nyerere has commanded a position of respect unique among African states. His blueprint for socialism is a textbook model of Third World development. His salary as president is only \$6,000 a year. He has translated 'Julius Caesar' into Swahili."

So writes David Lamb, of the Los Angeles Times, in his newly published book "The Africans." Some curriculum vitae, one may think.

Without taking back a word of that paragraph, Mr. Lamb goes on to deflate the record of Mr. Nyerere's 21 years of rule: "Despite the injection of more aid than any other country in black Africa, few countries in Africa have made such modest progress. Agricultural production is dropping, factories are limping along at 40-percent capacity. Dar es Salaam grows shabbier by the day, a listless engulf the land and the people are perhaps the most dispirited and unmotivated on the entire continent."

All these criticisms are fair, yet one senses that Mr. Lamb finds them difficult to make. Modern Africa has few heroic figures. Who wants to criticize a man who has so many qualities? His personal modesty, his altruism, his lack of vindictiveness, his personification of what is perhaps the African's single greatest quality, human warmth, is attractive.

Margaret Thatcher, no Afrophile, admitted during the difficult Lusaka Commonwealth summit in 1979, when she agreed to try one more effort at negotiating an end to the Rhodesian war, that Mr. Nyerere's trusting personality played a large part in winning her over.

I wrote a column on the economic troubles of Mr. Nyerere's socialist experiment last December. Just the other day I received one of the angriest letters of my life, from his trusted confidante of 30 years, Joan Wicket.

Miss Wicket, a British Fabian Socialist, is to Mr. Nyerere what Ted Sorensen was to Jack Kennedy: an alter ego. She has written many of his speeches and his main theoretical documents. Their style is interchangeable; it is an unusually powerful relationship. Miss Wicket stays in a two-room Salvation Army house, living her socialism as well as preaching it.

"Do you imagine," she writes, commenting on my column, "that because we are trying to build socialism we are somehow immune to terms of trade changes, interest rates, wars, drought, and both national and international criminality? Or do you really think that those who can be cavalierly dismissed as 'only part' of the problem? Could it not be that our mistakes — which we recognize and try to deal with — are the 'part' and the other things are the 'problem'?"

Indeed, there is gathering evidence that not just Mr. Nyerere's Tanzania but most of black Africa is going downhill. Africa is the only continent where per capita income is regularly diminishing, where food production is falling and where the administration of day-by-day basic facilities, whether it be railroads or hospitals, appears to be on the wane.

An International Labor Office report on Zambia, which is being refused publication by the Zambian government, notes in a long litany of woes that "rural persons," who form the majority of the population, "must now pay three times as much in agricultural produce for the urban goods they buy compared with 1965."

President Kenneth Kaunda, like his friend Julius Nyerere, is a strong Christian, an idealist, determined to leave the country a better place

than he found it when the British left. And in neighboring Zimbabwe, the personally austere Robert Mugabe, having inherited a booming economy, is gradually undermining it as the state intervenes more by the day.

So Africa is not just going downhill where there is an Idi Amin or an Emperor Bokassa in power, or where coup has followed coup, or where civil war has riven a country, but also where there is reasonable stability and where honest politicians hold power.

The notion that African leaders have their hands in the till, execute their rivals, lay up reserves in Swiss banks and fly around in private Boeing 747s is not without its truth, but it is an unfair caricature of many leaders.

Perhaps the socialism of Mr. Nyerere and Miss Wicket epitomizes what has gone wrong. Economic ideologies from Europe that have grown out of the experience of industrial revolution in well-established nation states have been grafted onto what are still tribal societies. It has been socialism by exhortation. The experiment has assumed that there are sophisticated bureaucracies, like the French or Chinese, which could make the idea work on the ground.

But the bureaucracies are young, inexperienced and often counterproductive. The state ended up hurting the village people it tried to help, destroying economic incentives and killing off a growing taste for the rules of the marketplace by hamfisted fiat. The redistributive aspects — more schools and clinics, as in Tanzania — have not been sufficient compensation, and too often the standard of living has declined.

Africa has been badly hit, as Miss Wicket argues, by forces beyond its control: droughts, falling commodity prices, high interest rates.

The West Should Help Africa

By Colin Legum

LONDON — It is a measure of the changing perceptions in the White House about African realities that President Reagan exceeded the formal requirements of protocol when receiving the credentials of Tanzania's new ambassador, Benjamin Mkapa.

Mr. Reagan paid tribute to "the very helpful role which Tanzania has played in the southern African region." He added that the importance of Tanzania in the international arena was "in no small measure due to the statesmanship of President Nyerere."

Mr. Nyerere's choice of Ben Mkapa, a former foreign minister, as his new ambassador in Washington is an indication of the importance he attaches to securing the Reagan administration's cooperation.

Mr. Mkapa's installation coincides with a gloomy warning in Washington that Africa's economic situation is unlikely to improve for the rest of the decade and may even get worse unless appropriate action is taken by the industrial and developing nations.

That was the conclusion of American specialists who took



Even well-run economies like those of the Ivory Coast and Malawi have taken a battering. Yet the real disasters seem to have been self-made.

Mr. Nyerere, a virtuous man, has the rare quality of self-criticism. One wishes he could see clearly his biggest mistakes. If he could turn around and start undoing them and plot a new course he could inspire other African countries. His personal following in the rest of Africa is still second to none. He carries conviction.

International Herald Tribune.

pay for essential imports. Such amounts as they are able to raise carry high interest.

Among the Brundage commission's recommendations for urgent action is waiving by government creditors of all debts owed by the least-developed countries. No action has been taken on the commission's major proposals. Yet no competent authority has challenged the commission's main thesis, which says:

"In the industrialized countries, factories are idle; production is stagnant and more than 30 million are without work. In parts of the South, the threat of economic collapse is now a real one, with a number of countries unable to finance their most vital import needs of fuel, machinery and food."

"If the South, which buys 30 percent of the exports of the United States alone, cannot find more resources, the North will be unable to revive its industries. By the same token, unless the industrial powers attempt to 'reflate' their economies, the exports of the developing world will continue to languish without markets."

International Herald Tribune.

Paris + Williamsburg = Currency + Trade

By Hobart Rowen

WASHINGTON — If it could, the Reagan administration would avoid a discussion next month at the Williamsburg economic summit of any new commitments to international management of the global economy. But it is likely to be forced into precisely that.

At the last economic summit, in Versailles, Europe and America failed to agree on how to handle the trade security nexus with the Russians. Soon after that a highly touted GATT ministerial meeting in Geneva, supposedly called to wind down protectionism, was a total fiasco.

With this recent history in mind, Treasury Secretary Donald Regan and the U.S. trade ambassador, Bill Brock, have invited finance and trade ministers of the other summit countries to sit down in Paris on May 10 and 11 to discuss links in trade and financial policies.

The IMF, when it lends money,

pushes the debt-ridden countries to reduce imports; but when they do that they cut somebody else's exports, diminishing world economic growth. The logic for greater international cooperation is creating relentless pressures for some success.

The main stumbling block is the fixation of some ideologues in the Reagan administration against a greater role for government, and for a total reliance on free markets.

And there is a lot of plain old chauvinism mixed in here: To traditionalists, "talking the dollar down" is almost anti-patriotic, because a strong currency means a strong nation and a strong economy.

No one can deny that part of the strength of the U.S. dollar is a belief that America is a uniquely safe haven in times of stress. But, as former West German Chancellor Helmut

Schmidt said recently in Tokyo, a decision to "leave everything to the free market" is "too classic." He proposed that the United States, Japan and the European Community create a stabilization fund to minimize currency fluctuations.

The president of the New York Federal Reserve Bank, Anthony S. Long, told a Swiss business audience on April 8 that the Williamsburg summit may produce a modest agreement on limited intervention in world currency markets.

There is no doubt that the extraordinary strength of the U.S. dollar has created enormous problems for the rest of the world.

And there should be little argument that the dollar is strong in part because interest rates are high, and that interest rates are high because of the large budget deficit.

Senators President Akio Morita of Sony: "The yen-dollar rate has moved at least 20 percent in a year. I can't run my business on that basis." Mr. Morita and some other international businessmen would like a more fixed relationship between rates.

Pragmatists do not expect to go back to the old Bretton Woods system based on gold. They are looking

for some way of reducing exchange rate instability — in effect, of preventing the undisciplined foreign exchange markets from overshooting real values in either direction.

Since the world went off the dollar-gold standard in 1971, reformers have sought in vain for some way to "manage" floating rates. In plain language, though, what happens to exchange rates affects jobs.

There is a fine line to draw. Regardless of the exchange rate, some manufacturers will be unable to compete because their products don't match up in quality. The appeal for exchange rate stability can be a disguise for protectionism.

But, to come back to Mr. Morita's point, it is hard to see why it took 278 yen to buy one dollar on Nov. 1, 1982, and only 227 yen on Jan. 10, 1983. Something seems screwy there. The "underlying" economic factors, to which free market devotees like to point, could not have changed that much in 10 short weeks.

These problems defy easy solution, and there will be no tailor-made answers in Paris or Williamsburg. But talking about them as an interconnected puzzle for the world economy is a small step forward — especially for the Reagan administration.

The Washington Post.

Democracy Carries On In Chicago

By David S. Broder

WASHINGTON — To put last Tuesday's Chicago mayoral election in context, it helps to remember a line from the 1958 Kerner report on urban race relations: "What white Americans have never fully understood, but what the Negro can never forget, is that white society is deeply implicated in the ghetto."

The report, commissioned by President Lyndon Johnson after the urban violence of 1966-67, said of the ghetto: "White institutions created it, white institutions maintain it, and white society condones it."

Harold Washington came out of Chicago's South Side ghetto to win the mayor's office. The campaign that produced his narrow victory was the single most searing political event I have witnessed in the United States since the chaotic year in which the Kerner report was published.

The commission's finding that America was becoming "two societies, one black, one white," was confirmed when black voters voted almost 100 percent for Mr. Washington while whites voted more than 80 percent for the Republican candidate, Bernard Epton.

Mr. Washington's candidacy was seen by fellow blacks as an affirmation of citizenship rights long denied them. "He is our John the Baptist," the Rev. B. Herbert Martin said, "crying 'The Kingdom is at hand.'" But many whites saw a threat of black domination. A white woman who worked for Mr. Washington and wore his button on her coat was told by a passing Epton supporter, "He wins, you'll get raped."

Epton backers said Mr. Washington was chronically, and occasionally criminally, sloppy about paying his bills. "If a white candidate had his record," said a defecting Democratic alderman, Roman Pucinski, "we'd run him out of town."

To blacks, the tax charges that sent Mr. Washington briefly to jail a decade ago were a symbol of racism. They cited a pillar of the Chicago bar, a nationally prominent white attorney, who admitted that he had failed to file returns for two years — and was not disciplined by the bar association or prosecuted.

Now the election is over, and the task of governing Chicago, a city with at least its share of economic and social problems, falls on Mr. Washington's broad shoulders. The hunch here is that he is going to measure up to the task.

Unlike Mr. Epton, a meek man who would have been swallowed by the sharks on the City Council, Mr. Washington is a tough and tested politician who can play the Chicago game on anyone's terms. He is under no illusions about the size of the job. Last October he stepped out to start terms the fiscal and political barriers he would have to overcome to deliver on the expectations his election would create. "It's more than a one-term task," he also said.

And there is a basis for reconciliation. Many of the leaders of the Chicago business establishment rallied belatedly to Mr. Washington's cause, after sinking millions of dollars into the campaigns of Mayor Jane Byrne and Richard M. Daley, the Cook County state's attorney, whose split of the white vote gave Mr. Washington the Democratic nomination.

Key lawyers and executives showed up for Mr. Washington's general election fund-raiser and signed onto his transition planning team, recognizing in his leadership the best potential for pulling the city together to face its problems.

Reconciling the white ethnic voters will be a lot tougher. But there is a precedent. It can be found in Mr. Dooley's semi-fictional account of what happened in 1894, when "Bill O'Bryen," the Populist candidate for the Senate, came to speak. There was such turmoil that "the quietest stonewall and the thir'nt wint out an' got a brick" to use on the "army-chest." But "O'Bryen" turned them around with his speech, concluding, "Disagree peacefully to ye'er homes. The hall is started by the hour."

"An' then," said the narrator, finishing the tale in a fashion Mr. Washington would understand, "he wint out with th' quartet chasin' him. He'd neglected to pay f'r their warble."

The Washington Post.

Working at Opera

Joseph McEllan's book review (Herald Tribune, March 24) of Howard Greenfield's "Caruso" contained a reference to "at least one well-known tenor [who] can cancel commitments with vague allegations of an allergy to 'stage dust' or because the promotion of his movie seems more urgent than the opening of the Metropolitan Opera season." Unless the reviewer is suggesting that said tenor work himself to death at an early age in order to satisfy a few opera fans, the comment was out of place.

The comment was a cheap shot.

JUDY KNEEBONE, Oslo.

Letters intended for publication should be addressed to the editor and contain the writer's signature, name and address. Brief letters receive priority, and letters may be abridged. We cannot acknowledge all letters, but we value the views of the readers who submit them.

FROM OUR APRIL 18 PAGES, 75 AND 50 YEARS AGO

1908: Big Banks May Merge

NEW YORK — The stock exchange was closed yesterday, although the banks were open. Whenever bankers met, the sole topic of discussion was the report of the contemplated purchase of the National Bank of Commerce by the National City Bank. The possible combination, with a capital stock of \$25,000,000 each, a combined capital and surplus of \$89,843,200 and aggregate deposits totaling \$329,671,200, was sufficient to make the banking interests gasp for breath. The consolidated institution would be the largest financial institution in the United States. Bank of Commerce stock, which sold recently for as low as 140, last closed at 175. National City Bank stock advanced from 261 to 300 bid.

1933: Murals Go to New York

LE HAVRE, France — Four huge mural paintings destined for the central hall of Rockefeller Center in New York are being accompanied aboard the Ile-de-France by their creator, Jose-Maria Sert, Spanish painter. Mr. Sert and his wife motored to Le Havre and boarded the French line flagship several hours before the ship sailed, in order to be able to supervise stowing of the murals in the hold. Representing abstract figures of struggle and achievement and rendered in the colorful style of the Spanish master, the paintings are each 25 feet long and 20 feet high. They were created in Mr. Sert's Paris studio and will be unveiled this spring at official ceremonies in Rockefeller Center.

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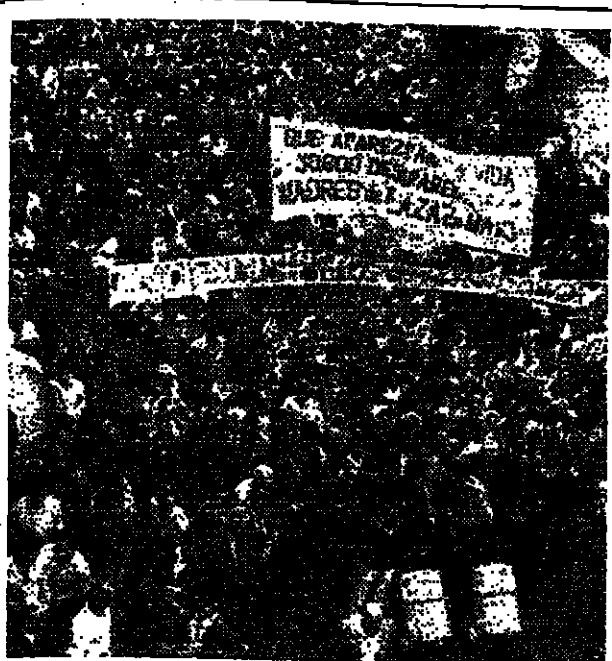
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Marchers in Buenos Aires protest the disappearance of thousands of people in Argentina in the 1970s. In the foreground, leaders of the march push carts carrying petitions for the military government.

Buenos Aires Marchers Demand Explanation of 'Disappearances'

UNITED PRESS INTERNATIONAL
BUENOS AIRES — Nearly 12,000 people marched peacefully to the government palace here and demanded that the military junta reveal what happened to thousands of people who disappeared during a period of anti-leftist repression in the 1970s.

The march Friday, apparently the largest protest over disappearances in the seven years of military rule, was organized by eight human rights groups. The organizers attempted to deliver a petition with more than 250,000 signatures to the government, but no government official would accept the 40 folders containing the petition.

The petitioners call on the government to return the missing people alive, to lift the seven-year state of siege, to release labor and political leaders from prison and to prosecute those responsible for torturing prisoners.

Adolfo Pérez Esquivel, the Nobel Peace Prize winner in 1980, and two Roman Catholic bishops, Jaime Novak and Jaime de Nevares, led the march, along with Hebe de Bonafini, president of the Mothers of the Plaza de Mayo. The mothers' group has pressed the government for several years to reveal what happened to relatives who disappeared.

Human rights groups say that at least 6,000 people disappeared after being kidnapped by plainclothes security squads from 1974 through 1979. Some of the groups represented Friday contend that as many as 30,000 people disappeared.

U.S. Has Military Option for Central American Escalation

By Don Oberdorfer
Washington Post Service

WASHINGTON — For more than a year, the Reagan administration has been contemplating strong U.S. military and political responses to the possibility of a Cuban or Soviet escalation of military activity in Central America.

The proposed reactions under discussion include direct use of U.S. air and naval power, dispatch of U.S. Air Force jets, large-scale increases in aid to friendly countries and invocation of the 1947 Rio Treaty permitting U.S. participation in collective defense in Latin America.

This apparently explains the unsolicited warnings last week by Thomas O. Enders, the assistant secretary of state for inter-American affairs, about possible introduction into Nicaragua of "modern fighter aircraft" by Cuba or the Soviet Union "or even Cuban combat troops."

"Clearly a dangerous situation would develop, unacceptable not only to Central America but to the American nations as a whole. We have communicated to Moscow and Havana how dangerous such a move would be," Mr. Enders told the Senate Foreign Relations Committee on Tuesday and a House Foreign Affairs subcommittee on Thursday.

According to documents made available to The Washington Post and interviews with policy-makers, official attention has been given for many months to the possibility of future Cuban and Soviet moves in Central America.

One of the administration's earliest known actions regarding such moves was President Ronald Reagan's decision after a National Security Council meeting on Nov. 16, 1981, to order development of "contingency plans to deal with unacceptable military actions by Cuba." The same meeting led to presidential approval of undercover U.S. support for anti-government insurgents in Nicaragua.

The contingency plans, according to an official report of the meeting written at the time, were to address the "possible use of U.S. forces." The plans also included

the possibility of "a petroleum quarantine and/or retaliatory air reaction against Cuban forces and installations."

By April 1982, five months after the contingency planning order, State Department officials were beginning to believe that "opportunities as well as challenges" could flow from any further Soviet or Cuban moves in the area.

"Introduction of MiGs into Nicaragua could be exploited to obtain financing for upgrading of Honduran Air Force and stationing of U.S. squadron in Honduras," said a State Department paper prepared for a National Security Council discussion that month.

The paper said that introduction of "Cuban units into Nicaragua in response to threats to the survival of the Sandinista regime would provide opportunity for invocation of Rio Treaty aimed at producing

ultimatum to Cubans to get out... or else."

Still another threat, this time without a suggested answer, was that Congress could reject U.S. policy in El Salvador "through cutting off military aid or requiring of negotiations as one condition of our semiannual certifications." Presidential certifications of progress in human rights are a requirement for continued U.S. aid to El Salvador.

The paper saw this prospect as "an enormous, perhaps irretrievable setback" causing loss of U.S. influence in El Salvador. Irresistible pressure in Honduras to reach an accommodation with Nicaragua and an immediate effort by Costa Rica to "find safety through neutralism."

These possibilities are believed to have been addressed in the annex to a document prepared last April for a National Security

Council discussion about strategies in the region for the two years to come. The document was reported by The New York Times in an account that was published in the April 8 editions of the International Herald Tribune.

Sources said it had been prepared for consideration at the meeting, rather than reflecting presidential decisions.

Since 70 Nicaraguan pilots and mechanics were sent for jet training in Bulgaria in early 1980, and since a lengthening of Nicaraguan airfield runways in 1981, U.S. policy-makers have been scanning the horizon, expecting to see Soviet MiG fighters.

Mr. Haig was reported to have taken up that question on several occasions with Soviet officials, including Foreign Minister Andrei A. Gromyko. An administration official said the same message had been delivered to the Russians by

Mr. Haig's successor, George P. Shultz.

In December 1981, Mr. Haig discussed the MiGs with the Nicaraguan foreign minister, the Rev. Miguel d'Escoto Brockmann. According to an unofficial but informed account, Mr. Haig warned that the United States would take unspecified action if MiGs were brought to Nicaragua, and Father d'Escoto Brockmann replied that there were no plans to do so unless his country were attacked.

Nevertheless, U.S. intelligence agencies have continued to sound alarms.

The Soviets may have already decided to raise the ante, said a policy paper dated July 12. The paper, drafted in the State Department and approved by officials at the Defense Department, Central Intelligence Agency and the National Security Council, reported that a shipment of MiGs was then

en route to Cuba with eventual movement on to Nicaragua a distinct possibility.

The document offered the options of protests through the Central American Democratic Community and the Organization of American States, a "U.S. air unit interchange with Honduras and Colombia," or "action to destroy the planes and/or a blockade quarantine."

The "most promising initial response," the briefing paper said, would include:

- "Demonstrations" of U.S. Air Force ability to deploy in Honduras and San Andres, an island belonging to Colombia 100 miles (161 kilometers) east of Nicaragua's eastern coast. It was noted that airport improvements in Honduras, undertaken in a \$21-million U.S. military construction program, would be useful in this respect.
- Training of Hondurans and Colombians in "maintenance and handling of an appropriate fighter and funds to provide Honduras with a limited number of the planes."
- Political action in the Central American Democratic Community and the Organization of American States.

The paper also suggested that U.S. efforts in the region should be strengthened by additional military assistance for Honduras and Costa Rica and by "increased pressure on Nicaragua." It made no reference to the administration's undercover support of Nicaraguan insurgents.

U.S., Mexico to Talk as Polarization Grows

By Marlise Simons
New York Times Service

MEXICO CITY — Three senior Reagan administration officials were to arrive here Sunday to study the state of U.S.-Mexican relations in the midst of this country's worst economic crisis in more than 40 years.

Yet, as in every previous high-level bilateral meeting over the last two years, public attention will center on the hostilities in Central America.

Although Washington and Mexico have successfully prevented their differences over the region from poisoning the rest of their relations, they are increasingly viewing each other through the prism of a polarized schism.

The Reagan administration believes Mexico is the Soviet bloc's ultimate target — "the last domino," as some U.S. officials have called it — in the area, while Mexico views the United States as an important factor in undermining stability throughout Central America.

Further, Mexico fears that a U.S. military intervention in the region could threaten its own internal peace even more than "meddling" by Cuba and Nicaragua.

Almost as a prologue to the visit here by Secretary of State George P. Shultz, Treasury Secretary Donald T. Regan and Commerce Secretary Malcolm Baldrige, Mexico re-

cently joined Colombia, Venezuela and Panama in challenging Washington's hard-line approach by making yet another effort to promote negotiation of Central America's conflicts.

No immediate breakthrough was apparent in a visit by the foreign ministers of the four countries to the five Central American capitals. Their reasoning was that some pro-

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cess of bilateral negotiations was needed before a regional summit could be fruitful. Their first concern, they indicated, was to avert a war between Nicaragua and Honduras.

While the United States and Mexico still disagree sharply over Central America, this country's president, Miguel de la Madrid, has adopted a less confrontational approach than his predecessor, José López Portillo, in the apparent belief that "quiet diplomacy" may be more effective.

"We can't hope to see any peace moves without North American cooperation," a Mexican official said. Mexico's aim is not to isolate Washington, he added, but rather "to persuade it to change its policy."

But Reagan administration strategy, according to a National Security

Council memorandum published by The New York Times, is to keep Mexico "isolated on Central American issues" because it "continues public and covert support for the extreme left with propaganda, funds and political support." U.S. officials believe that Mexico has changed the tone, but not the substance, of its foreign policy.

Just two days before the U.S. visit, for example, Mexico underlined its support for Nicaragua's Sandinist government by expelling Alfonso Robelo, a Nicaraguan opposition leader, before he could give a news conference to announce that his political ally, Eden Pastora, had entered Nicaragua to take up arms against the government.

The administration of Mr. de la Madrid is keenly aware, however, that good relations with Washington are essential to rebuilding the economy.

Last August, at the height of Mexico's financial crisis, the United States demonstrated its interest in bolstering political stability by providing aid and encouraging the International Monetary Fund to help as well.

Not surprisingly, then, the key issues to be discussed this week, with the major exception of Central America, are economic ones.

One problem is Mexican exports. At present, because Mexico is not a member of the General Agreement on Tariffs and Trade, when an American competitor charges that Mexican products are being dumped, countervailing duties are immediately levied against the goods. But a bilateral accord could give Mexico the right to the so-called injury test, under which damage to the American firm must be proved.

The trade question has been made difficult by the fact that for the first time since World War II, the United States recorded a negative trade balance with Mexico last year, with exports to Mexico falling by 32 percent and imports increasing by 13 percent.

Predictably, Mexico's rising unemployment and the increased value of the American dollar against the peso have contributed to increasing illegal Mexican migration to the north. In recent months, it has been double what it was in the same period last year.

The extent of interdependence between the two countries is also witnessed by the fact that a significant amount of the capital of private American banks is on loan to Mexico. As a result, the Reagan administration has little choice but to remain closely involved in Mexico's recovery program.

Reagan Special Envoy Expected for Salvador

By Patrick E. Tyler
Washington Post Service

WASHINGTON — The chairman of a key House panel says he has obtained "agreement in principle" for President Ronald Reagan to appoint a high-level U.S. envoy to help arrange elections in El Salvador in which all parties to the Salvadoran conflict may participate.

Representative Clarence D. Long, the Maryland Democrat who heads the House Appropriations subcommittee on foreign operations, has been delaying consideration of Mr. Reagan's request for emergency military aid to El Salvador until an envoy is chosen.

Mr. Reagan asked March 10 for the transfer of \$60 million from other foreign aid accounts to increase military aid to El Salvador.

"There is still a little difference of opinion of what the man would do," an aide to Mr. Long said of the envoy, "but the idea of moving forward with this kind of thing has been accepted" by the administration.

"That's correct," Mr. Long acknowledged Saturday.

A senior State Department official said Saturday that the special envoy concept was "in the works."

"I think we need somebody whose stature is so great," Mr. Long said, "that once they appoint him they can't pull the rug out from under him. What I have insisted upon is that we don't give them anything until they actually perform... on these conditions. It's up to them."

He said he has told administration officials that he wants a presidential emissary of the stature of Philip C. Habib, Mr. Reagan's special Middle East envoy, or Sol Linowitz, former President Jimmy Carter's envoy to that region.

"Let them come up with somebody," Mr. Long said, "but it's very important to the public perception to get the peace process

going, to have elections in which all people in the country are included and in which people can take part without being afraid of being killed."

If he reaches final agreement with the administration, Mr. Long said, he plans to meet with Salvadoran officials "and tell them this is what the administration wants and they had better agree to this or they won't get the money."

The subcommittee's other conditions include the appointment of an independent American jurist to review evidence in murder cases in El Salvador involving U.S. citizens and to recommend whether the cases have been properly pursued.

Mr. Long has also asked President Alvaro Magaña of El Salvador to allow spot inspections of Salvadoran prisons by the International Red Cross and to declare a general amnesty for as many as 800 political prisoners being held without charges.

The consensus of members of Mr. Long's subcommittee, an aide to the congressman said, is to initially fund less than half of the \$60 million requested by Mr. Reagan and to withhold approval for transferring the remaining portion as a means of ensuring progress on the political front.

The \$60-million aid transfer is the first part of a \$110-million Salvadoran military-aid package requested by Mr. Reagan. He also seeks \$50 million in supplemental appropriations for the current fiscal year, which ends Sept. 30, and an additional \$86 million in military assistance for the fiscal year 1984, which begins Oct. 1.

All of this is in addition to \$200 million in economic assistance to El Salvador this fiscal year and \$120 million requested for 1984. State Department planners consider economic aid part of "security assistance" because countries can use the U.S. funds to pay other bills and free remaining resources for military use.

U.S. Justice Dept. Warns Salvador To Act on Deaths

Los Angeles Times Service

SAN SALVADOR — U.S. Attorney General William French Smith has brought a message to El Salvador's leaders: Eight Americans have been murdered here, no one has been convicted of the murders, and the United States is unhappy about it.

"We have emphasized the fact that words are not enough, that action itself is essential," Mr. Smith said Saturday upon his arrival in Washington from a 13-day trip to Latin America.

During his three days in El Salvador, he urged the Salvadoran authorities to let the United States help them overhaul the judicial system — a project he conceded might take years to produce results.

But Mr. Smith's short-term message was that the Reagan administration, Congress and the American people want to see results in the cases of the slain Americans.

Those slain include four Roman Catholic missionaries, two labor officials advising the Salvadoran government, a young backpacker and a free-lance journalist.

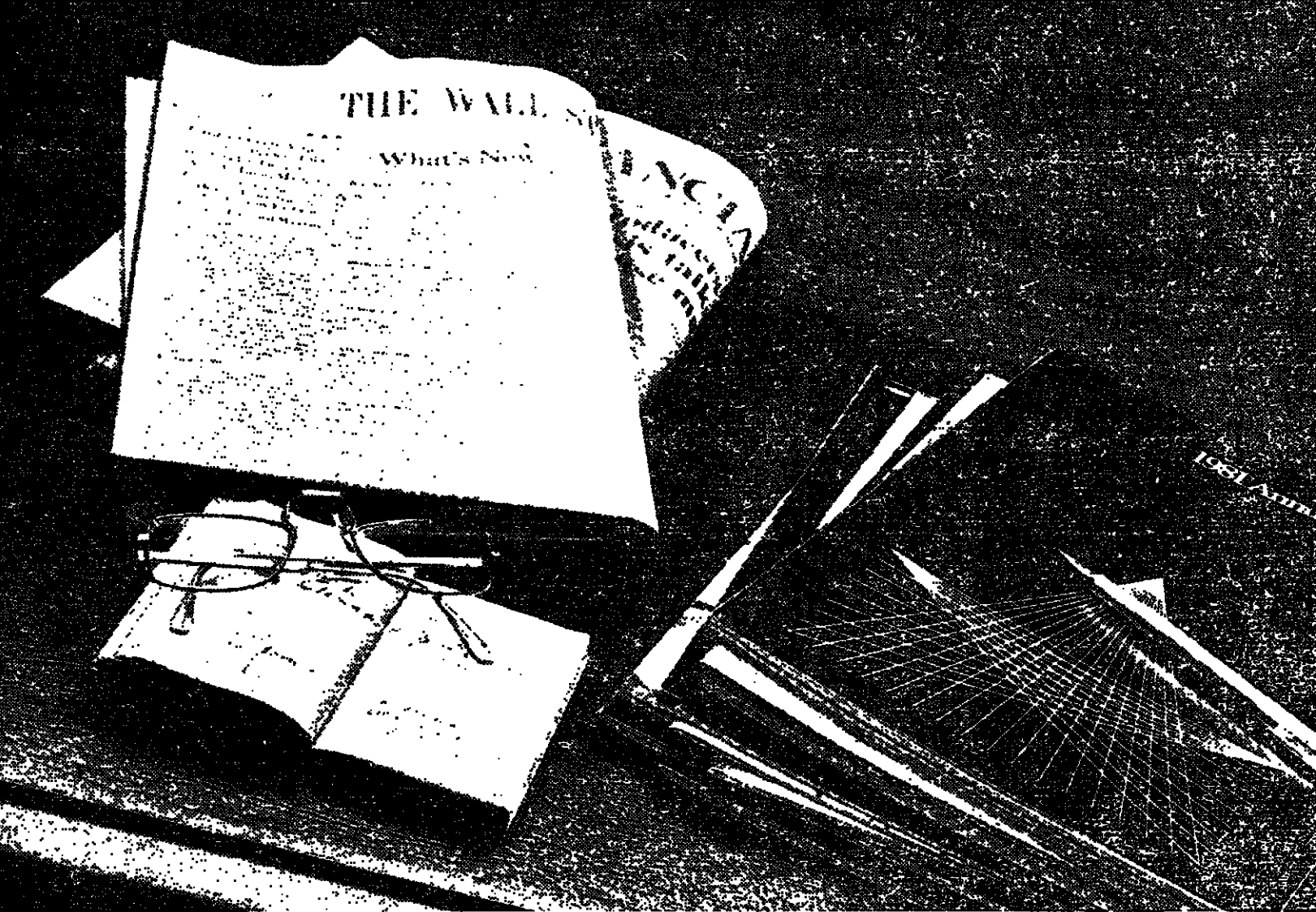
Salvador Official Offers to Resign

United Press International

SAN SALVADOR — Army commanders said over the weekend that they were awaiting word from President Alvaro Magaña of El Salvador on whether he will accept the resignation of the country's embattled defense minister, José Guillermo García.

Francisco José Guerrero, the president's top aide, said Mr. Magaña had received General García's resignation and an announcement would be made by Monday.

The country's air force was reported Friday to have been on the verge of mutiny over General García's conduct of El Salvador's civil war.



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Borrower	Amount (millions)	Maturity	Coupon %	Price	Yield At Offer	Terms
Austria	100	1991	7 1/2	100	7 1/2	Collable in 1988 or 101. Bullet.
Canadian Imperial Bk Comm.	100	1988	7	99	7 1/4	Noncollable. Bullet.
Crédit d'Equip. des PME	100	1991	8	100	8	Noncollable. Bullet.
Denmark	100	1988	7 1/4	open	—	Price to be set April 20.
Denmark	100	1993	8	open	—	Price to be set April 20.
Euro. Coal & Steel Com.	200	1993	7 1/2	100	7 1/2	Collable after 1989 or 102. Bullet.

Enthusiasm Fades on Eurobond Mart

(Continued from Page 7)

Fuji Bank, which sold \$100 million of seven-year bonds at par bearing a coupon of 10 1/2 percent.

The Fuji bonds, quoted at 99, were trading to yield 11.08 percent.

Banks Fight Over Advice

(Continued from Page 7)

cases renew from year-to-year the advisory contract.

For all of their hostility, even the severest commercial banking critic acknowledges that investment banks do have a role to play in reshaping private debt.

"When your talking about corporations, which have share capital, there is a question of a range of alternatives to be weighed against a range of creditors and that's a different story," says one banker.

"Commercial banks can't be a secured creditor and an unsecured creditor and shareholder and expect to represent the borrower at the same time. It just can't be done."

In the syndicated loan market, meanwhile, there was little new business. Banks are still waiting for mandates to proceed from Svenska Petroleum and Algeria. New to the list is Spain, which is asking for bids on terms for a \$500-million, eight-year loan. Banks are talking of a split 1/2-1/2 margin over Libor or a quarter-point over the prime rate.

The five banks trying to put a deal together for Portugal now have six others willing to participate at a spread of 1/4 point over Libor for seven years. Some \$200 million is already committed and bankers say the outlook is promising for achieving the targeted goal of \$300 million.

Consolidated Trading Of AMEX Listings

Week Ended April 15	High	Low	Open	Close
Amgen	147.00	145.00	146.00	146.00
Amgen	147.00	145.00	146.00	146.00
Amgen	147.00	145.00	146.00	146.00
Amgen	147.00	145.00	146.00	146.00
Amgen	147.00	145.00	146.00	146.00

Consolidated Trading Of NYSE Listings

Week Ended April 15	High	Low	Open	Close
Amgen	147.00	145.00	146.00	146.00
Amgen	147.00	145.00	146.00	146.00
Amgen	147.00	145.00	146.00	146.00
Amgen	147.00	145.00	146.00	146.00
Amgen	147.00	145.00	146.00	146.00

Treasury Bills

Week Ended April 15	High	Low	Open	Close
Amgen	147.00	145.00	146.00	146.00
Amgen	147.00	145.00	146.00	146.00
Amgen	147.00	145.00	146.00	146.00
Amgen	147.00	145.00	146.00	146.00
Amgen	147.00	145.00	146.00	146.00

K mart Set To Expand Trade Role

New York Times Service

NEW YORK — K mart, the second-largest U.S. retailer after Sears, Roebuck & Company, is establishing a new subsidiary to provide management services for export and imports, barter and counter trade and retail marketing of consumer goods.

The venture is part of the move by major U.S. retailers into international trading companies to capitalize on their big buying power, merchandising expertise and the increasing demand for varied merchandise in many countries.

John S. Benner, managing director of the new K mart subsidiary, K mart Trading Services, said Friday that the action was an expansion of what K mart had done for some time and was expected within five years to transcend "several hundreds of millions of dollars."

Sears recently announced in Tokyo that it had filed registration papers with the Bank of Japan to establish Sears World Trade (Japan), as part of its year-old trading company, Sears World Trade. The trading company would operate out of a Tokyo office, as well as from Chicago and Washington.

A Sears spokesman said the company's plan was to trade in a variety of consumer and nonconsumer goods and to provide technology and management services to many countries. Sears plans to open offices in London, Frankfurt, Singapore, Taipei, Paris, Hong Kong and in other countries.

K mart, which has been testing the project for the last three years, has 10 foreign offices in Nürnberg, West Germany; Hong Kong and Tokyo, Osaka, Kobe and in other countries. Asked if K mart expected to find problems in its trading activities abroad because of the stronger dollar and the weaker foreign currencies, Mr. Benner replied that he did not anticipate much of a problem because of "K mart's great buying power."

However, BOC's late Friday launch of \$50 million of eight-year bonds priced at par bearing a coupon of 11 1/2 percent was seen as very aggressive. Bankers estimated BOC will be paying almost a 1/4 point less for its money than the government pays to borrow on the domestic market.

International Herald Tribune

Markets Expect Fall in Rates

By Michael Quint

New York Times Service

NEW YORK — The credit markets grew more confident last week that interest rates are likely to decline this year. After a few days of inactivity, the credit markets closed with a flurry as investors were eager buyers of new corporate issues while prices rose modestly for Treasury issues.

Although not all of the \$1 billion of corporate issues were instant sellouts, analysts said that the overall reception was good. Because corporations are using proceeds of

U.S. CREDIT MARKETS

bond sales to reduce short-term borrowings, some analysts are hopeful that short-term rates may ease slightly in coming weeks. Such a decline would encourage more investors to buy notes and bonds in a search for higher yields, they said.

Richard Bianco, head of the fixed income trading area at Dillon, Read & Co., said "investors are buying bonds more for income and not as much because of prospects for capital gains. I still expect some capital gains, but that is no longer the main attraction."

One reason for the change in investor attitude is the changed outlook for inflation. Not only are bond yields high compared with recent inflation experience, but they are also high compared with the inflation that is expected in future years.

Expectations that inflation will not accelerate was confirmed by a recent poll of 497 institutional decision-makers by Richard B. Hoey, chief economist at A.G. Becker

Paribas. The survey respondents included investment officers, corporate financial officers, bank portfolio managers, stock portfolio managers, economists and other analysts.

The consensus of this group was that inflation over the next 10 years will rise at an annual rate of 6.3 percent, down from 6.6 percent in the December 1982 survey and well below the 8.8 percent annual

U.S. Consumer Rates

For Week Ended April 15	Rate
Passbook Savings	5.50 %
4-Month Savings Certificates	7.00 %
Tax-Exempt Bonds	9.40 %
Money Market Funds	8.00 %
Home Mortgages	13.35 %
FHA's 30-year	

price increases expected over the next 10 years in the October 1980 survey.

A breakdown of the inflationary expectations showed that while prices are expected to rise by only 4 1/4 percent in the 12 months ending December 1983, the price gains are expected to increase in later years.

Mr. Hoey's survey also showed that decision-makers are bullish on the stock and bond markets. Signs that the economic recovery is on a firmer footing — such as the 1.5-percent gain in industrial production for March — did not have much effect on traders or investors.

However, because so many investors are convinced that a slowdown in money supply growth is needed to ensure that inflation does not rise in the future, the an-

nouncement late Friday by the Federal Reserve of slower money supply growth in March was welcome news.

The \$18.8-billion growth of the broad M-2 money supply measure in March was considerably smaller than February's \$40.2-billion gain, and it was sufficient to ease the Fed's task in meeting its targets for money supply growth and encouraging lower interest rates, analysts said.

The M-2 measures for February and March are to be combined and used by the Fed as a new base for measuring growth. The Fed has set a 7- to 10-percent growth range from this base for the year.

"Considering the high base they are starting with, expectations are that M-2 will stay within that target," said Maria Ramirez, a money market economist for Merrill Lynch. Mrs. Ramirez added that this would allow the Fed to maintain a neutral to slightly accommodative policy in providing credit to the markets, a policy that should keep interest rates from rising.

"What goes on from here is what matters," Mrs. Ramirez said, "since the Fed will use the average of the February and March M-2 numbers to guide policy."

NOTICE OF MEETING OF SHAREHOLDERS AND OF DIRECTORS OF VILCABAMBA INTERNATIONAL CORPORATION, S.A.

NOTICE IS HEREBY GIVEN that a meeting of the shareholders and directors of VILCABAMBA INTERNATIONAL CORPORATION, S.A., shall be held at The Copenhagen Sheraton Hotel, Copenhagen, Denmark on April 30, 1983 commencing at 3:00 in the afternoon of that day for the purpose of electing directors of the Corporation, and to transact such other business as may come before the meeting.

The Board of Directors has determined that the shareholders who personally attend the meeting will be entitled to vote at the meeting only if they present one or more share certificates of the common stock in the Corporation. If you intend on participating in the meeting and casting your vote, you must personally present your share certificate(s) at the meeting and any acquisitions thereof.

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Luxembourg
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	8 3/4 % 1995 ADG	97	28 Feb 95	18.256 1/5	2.99	2.74

— Explanation of Symbols —

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ECU	European Currency Unit	Y	Yen
EUA	European Unit of Account	LFR	Luxembourg Franc
L	Pound Sterling	SFR	Swiss Franc
DM	Deutsche Mark	FF	French Franc
NOK	Norwegian Kroner - DN		

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BkMon\$ 2.40	22	30 1/2	29 1/4	30 1/2 + 1 1/4
BkNEng 2.40	458	50	49 1/4	50 + 1/4
BkSecur 2.50	428	9 1/4	8 1/4	9 1/4 + 3/4

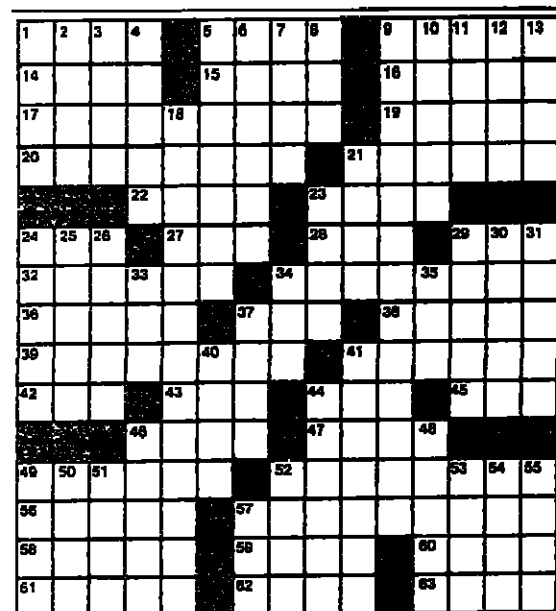
Cocast	97	3%	34%	34%	- 1/2
Cash Int g.Hie	284	10%	10	10% + 1/2	
Cob Rec	86	5	5	5	
Coca Col 1	125	30%	28%	39%	
Earn(A220)	4	51	50%	51 + 1	
Earn Vac .70	51	34%	32%	34% + 1%	
Econ	25	4%	4	4 - 1/2	
EdSault 1.36b	4	11%	11%	11%	

HmFsd	26417	22%	20%	22%+1
HmFdArz	1565	14%	12%	14%+1
HmFsd 1.40	730	24%	21%	23%+1
HmFsd 1.56	293	22%	22%	22%—1
HmFsd 1.40	1130	21%	21%	21%+1

[illegible]

(Continued on Page 1)

CROSSWORD



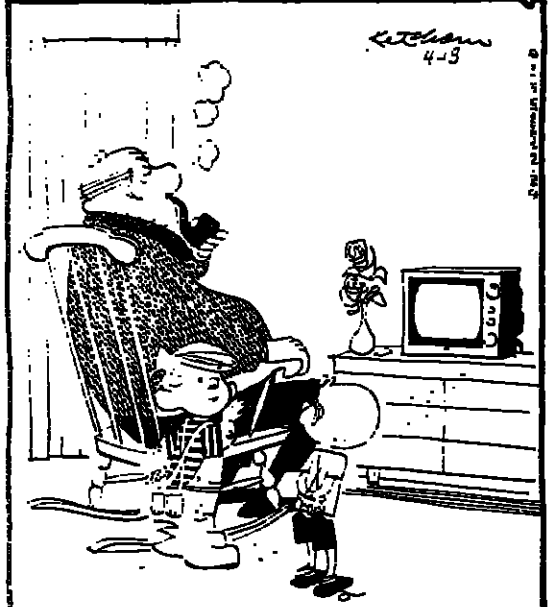
ACROSS

1 "The man down"
5 Rebuff
14 Indian prince
15 Spotted cavy
16 Partner of chapter
17 Embittered
18 Sheeplike
20 Fated
21 Ski runs
22 Opposed to, in
23 Avid
24 Back talk
27 Track
28 Transaction
29 Item often checked
29 "In" thing
32 One of the kingdoms
34 Expert control
38 Dwarfish number
37 Marble
38 Harmonium
39 Freeloaders
41 Escargots
42 Mel of baseball fame
43 Refrain
44 Letter on a certain key

DOWN

1 Finishing nail
2 Guilt, e.g.
3 Take — time (be leisurely)
4 Order feeder
5 Droopy-eared dog
6 Lying undeveloped
7 Served a winner
8 Inflate expenses
9 They estimate man's origins
10 Breed of cattle
11 Firm hold
12 Victim of feudalism
13 Bishopric
14 Estimate re origins
21 Counterfeit
22 Display
24 Cow catcher
25 Maladroit
26 Central point
29 Start of a Dickens title
31 Thickly populated
33 Chess pieces
34 Chess pieces: Abbr.
35 F.D.R. agency
37 Pitfall
40 A son of Ares
41 Participants
44 SST and 747
46 Camera setting
48 Period of service duty
49 Snatch
50 City in Georgia
51 Concept
52 Stance
53 Muffed
54 Chinese gelatin
55 Appellation
57 Record, as a song

DENNIS THE MENACE



"When Mr. Wilson was little, he had to watch television by candlelight 'cause he didn't have any 'lectricity.'"

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Unscramble these four Jumbles, one letter to each square, to form four ordinary words.

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NOAZAM

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Print answer here: A _____

Answers tomorrow!

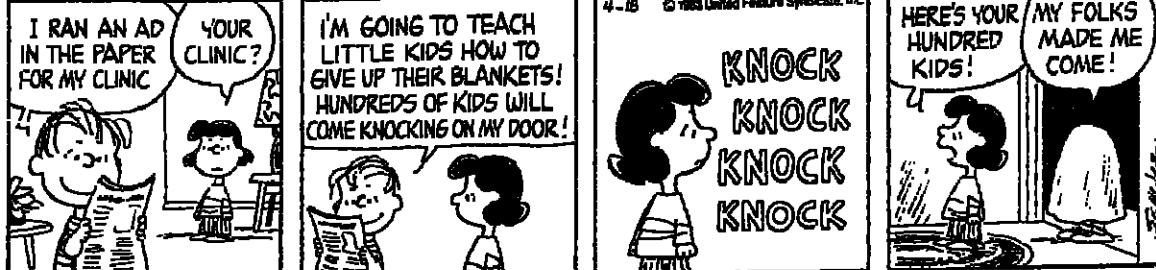
Friday's Answer: How to keep from falling out of bed — SLEEP ON THE FLOOR

WEATHER

EUROPE				ASIA			
	HIGH	LOW	CHANCE		HIGH	LOW	CHANCE
Aberdeen	18	14	57	Bangkok	28	26	79
Amsterdam	16	12	57	Beijing	28	26	79
Athens	16	12	57	Hong Kong	28	26	79
Berlin	17	13	57	Manila	28	26	79
Birmingham	16	12	57	New Delhi	28	26	79
Bombay	16	12	57	Seoul	28	26	79
Buenos Aires	16	12	57	Shanghai	28	26	79
Cardiff	16	12	57	Shenzhen	28	26	79
Cebu	16	12	57	Singapore	28	26	79
Dublin	16	12	57	Tokyo	28	26	79
Edinburgh	16	12	57				
Florence	16	12	57				
Geneva	16	12	57				
Helsinki	16	12	57				
Istanbul	16	12	57				
London	16	12	57				
Madrid	16	12	57				
Moscow	16	12	57				
Munich	16	12	57				
Nice	16	12	57				
Oslo	16	12	57				
Paris	16	12	57				
Rome	16	12	57				
Stockholm	16	12	57				
Vienna	16	12	57				
Zurich	16	12	57				

MONDAY'S FORECAST — CHANNEL: Moderate. FRANKFURT: Overcast with rain. LONDON: (4-4). LONDON: Cloudy, possible showers. PARIS: (1-1). PARIS: Cloudy with occasional rain. ROME: (1-1). ROME: Cloudy with occasional rain. NEW YORK: Partly cloudy. TEMPE: (4-4). TEMPE: Partly cloudy with showers. LOS ANGELES: (4-4). LOS ANGELES: Partly cloudy with showers. HONOLULU: (4-4). HONOLULU: Partly cloudy with showers. SYDNEY: (4-4). SYDNEY: Partly cloudy with showers. AUCKLAND: (4-4). AUCKLAND: Partly cloudy with showers. WELLINGTON: (4-4). WELLINGTON: Partly cloudy with showers. DUBLIN: (4-4). DUBLIN: Partly cloudy with showers. BRISBANE: (4-4). BRISBANE: Partly cloudy with showers. MELBOURNE: (4-4). MELBOURNE: Partly cloudy with showers. PERTH: (4-4). PERTH: Partly cloudy with showers. ADELAIDE: (4-4). ADELAIDE: Partly cloudy with showers. HOBART: (4-4). HOBART: Partly cloudy with showers. TASMANIA: (4-4). TASMANIA: Partly cloudy with showers. SOUTHERN ISLANDS: (4-4). SOUTHERN ISLANDS: Partly cloudy with showers. ANTARCTICA: (4-4). ANTARCTICA: Partly cloudy with showers.

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SPORTS BRIEFS

China Pulls Out of Pre-Olympic Events

COLORADO SPRINGS (LAT) — China has notified the Los Angeles Olympic Organizing Committee that it has dropped plans to send athletes to participate in pre-Olympic events this summer in cycling and swimming, Olympic general manager Harry L. Usher said here Saturday.

Baseball to Keep Five-Game Playoffs

NEW YORK (AP) — Baseball's league championship series will remain at five games this year instead of going to seven, as recommended by its executive council. Commissioner Bowie Kuhn, league representatives and Kenneth Moffet, head of the players' union, have agreed to put off any change until next year.

U.S. Boxer Convicted in Assault Case

PATERSON, New Jersey (AP) — Junior middleweight Tony Ayala Jr., who has a 22-0 record, has been found guilty of aggravated sexual assault, threatening to kill, making terroristic threats, burglary and two counts of unlawful possession of a knife. He faces up to 50 years in jail when sentenced June 21.

Kriek, Mayer Advance to Tennis Final

LOS ANGELES (UPI) — Fifth-seeded Johan Kriek upset defending champion and top-seeded Jimmy Connors, 2-6, 6-4, 6-4, Saturday to advance to Sunday's final of the Pacific Southwest tournament. Kriek will face No. 2 seed Gene Mayer, who blew past fourth-seeded Brian Gottfried, 6-1, 6-3.

Philadelphia Defeats Oakland in USFL

OAKLAND, California (UPI) — Kevin Bryant gained 118 yards and scored a touchdown Saturday to lead the Philadelphia Stars to a 17-7 United States Football League victory over Oakland. Bryant gained 99 yards in the second period, setting up a field goal with a 45-yard run, then scoring on a 37-yarder.

Zoeller Leads in Golf Tournament

HILTON HEAD ISLAND, South Carolina (UPI) — Fuzzy Zoeller shot a 6-under-par 65 Saturday to take a one-shot lead over Bob Eastwood into the final round of the Heritage golf tournament.

Tigers' Wilcox One Out Shy of a Perfect Game

Compiled by Our Staff From Dispatches CHICAGO — Mike Wilcox, rebounding from an injury-riddled 1982 season, came within an out of pitching the American League's second perfect game in two years Friday night.

The Detroit right-hander allowed only a two-out ninth-inning single by Jerry Hairston in a 6-0 victory over the White Sox.

Wilcox seemed ready to record the first no-hitter as well as the league's first perfect game since May 5, 1911, when Cleveland's Len

he walked out to the mound for the ninth. When Hairston ended Wilcox's perfect-game bid, Comiskey Park erupted in boos.

Red Sox 4, Rangers 1

In Boston, Jim Rice hit a two-run home run in the first and Dennis Eckersley scattered six hits over seven innings to carry the Red Sox past Texas, 4-1. Bob Stanley took over for Eckersley (1-1) in the last two innings to earn his second save of the season. Rice also singled and doubled in four at-bats.

Royals 4, Brewers 3

In Milwaukee, Jerry Martin batted in three runs with a single and a sacrifice fly while Larry Gura and Dan Quisenberry combined for a seven-hitter to spark Kansas City to a 4-3 decision over the Brewers. Permitting five hits through seven innings, Gura increased his record to 3-0.

Blue Jays 5, Yankees 5

In New York, Ernie White's two-out single scored Dave Collins with the tie-breaking run in the ninth, lifting Toronto over the Yankees, 6-5. Dave Stieb (2-1) scattered eight hits and allowed only one earned run while striking out seven in going the distance for the first time this season.

Mariners 5, A's 1

In Seattle, Gaylord Perry allowed three hits over seven innings to earn his 30th career victory as the Mariners defeated Oakland, 5-1. The 44-year-old Perry, moving into a 10th-place tie with Charles Radbourne on the all-time victory list, struck out four and didn't walk a batter. He evened his record at 1-1. Mike Stanton shut out the A's over the final two innings.

Angels 8, Twins 2

In Minneapolis, Reggie Kriebel, Fred Lynn and Bobby Glick all homered, powering California past Minnesota, 8-2. Ken Forsch (2-0) struck out three and walked none

BOOKS

HEARTBURN

By Nora Ephron. 179 pp. \$11.95. Alfred A. Knopf, 201 East 52d St., New York, N.Y. 10022.

Reviewed by Christopher Lehmann-Haupt

TRUE, it's hard at times to avoid reading Nora Ephron's first novel, "Heartburn," as a documentary account of the author's marital misadventures. Aside from having written rather personally in her three nonfiction collections, "Wallflower at the Orgy," "Crazy Salad" and "Scribble Scribble," Ephron has proved herself to be an effective self-publicizer. So there can't be many among us who aren't at least half-consciously aware of her calamitous romance with the journalist Carl Bernstein.

Thus, when we read in the opening pages of "Heartburn" how Rachel Samstat, the 38-year-old narrator in her seventh month of pregnancy, has just discovered the affair that is going on "between my husband, a fairly short person, and Thelma Rice, a fairly tall person with a neck as long as an arm and a nose as long as a thumb and you should see her legs, never mind her feet, which are sort of splayed," we are almost bound to make associations that correspond with events of true life.

Yet ultimately it's a fairly pointless exercise to keep substituting real people and events for what goes on in the course of "Heartburn." After all, even the most scrupulous attempts to reproduce reality in prose always end up being violent distortions of the actual. And to compare Ephron's story with reality, far from enhancing its effectiveness, is likely to distance the reader from the novel's modest virtues as a work of the imagination.

Besides, the major question "Heartburn" raises really transcends the issue of the novel's resemblance to living events and people. That is a question why a woman, real or imaginary, would be dumb or sick enough to attach herself and then re-attach herself to a man who could cheat on her compulsively when she was carrying his child, then lie to her about it and promise to stop, and then continue cheating on her when she was foolish enough to believe him. Obviously, there is something emotionally disturbed about this relationship, and it

behooves Ephron, whether the story she tells is real or imaginary, to try and get to the bottom of the characters involved.

For a while, she fends off the question with wit and comedy, and we collaborate happily in the evasion by laughing. It's very funny when Rachel's therapy group gets mugged in the middle of a session, and after the inviolable masked thief has fled, two members of the group, one male and one female, admit that they were attracted to the mugger. It's funny when Rachel describes how her zany mother ran off to Mexico near the end of her life and married a man named Mel who "honestly believed he was God," but "as my first husband Charlie said at the time, 'If there's one thing we know about God, it's that he's not named Mel.'"

And it's funny when Rachel describes how a bug from her unusually short maid, Juanita, "felt like the Heimlich maneuver."

But about two-thirds of the way through "Heartburn," the gags and apothegms begin to pall. The comedy routines begin to seem far-fetched. And the plotting begins to seem far-fetched. I think the reason for this is that we really want Rachel to arrive somewhere beyond merely getting mad at her husband for mistreating her. We really want her to achieve a glimmer of self-understanding.

Rachel blames everything in sight for her dogged desire to hold on to her husband. She blames love, fear of loneliness, sentimentality, romance, and the impossibility of her ever getting anyone better. "Let's face it," she complains to her therapist, "everyone is the off person on earth you shouldn't get involved with." Ultimately, she arrives at a theory that the reason she alienated her husband is that she got too involved with cooking. "I loved to cook, so I cooked. And then the cooking became a way of saying I love you. And then the cooking became the easy way of saying I love you. And then the cooking became the only way of saying I love you. I was so busy perfecting the peach pie that I wasn't paying attention."

This theory has a certain plausibility, and Ephron makes the most of it by giving Rachel a career as a ruminative cookbook writer and by spicing her story with recipes as if it were a ham infiltrated with cloves. But the recipes show up in the darnedest places. Often, Rachel resorts to them when an uncomfortable subject comes up, such as her mother's death or her father's character. "The truth is that if my father weren't my father, he would be one of the men he hates; he is incorrigibly faithless and thoroughly narcissistic, to such an extent that I tend to forget he's also capable of being a real peach." (There follows in parentheses a recipe for bacon hash.)

One suspects that Rachel is right, that her cooking did become a screen. But what it was hiding never does get revealed — to the detriment of what might have been an amusingly dark little comedy.

Christopher Lehmann-Haupt wrote this review for The New York Times.

Solution to Friday's Puzzle

MALI	SCRAPE	WVA
ANON	CHEVEU	HES
ITISTHEPART	ENG	
INTUITS	ENNEA	
ADZ	THROWER	
OFAGOODS	THEPHERD	
ROPER	RHYME	
EXES	PEURS	SANA
CLASS	IAMBS	
TOSHEARHIS	FLOCK	
HAPENNY	TAT	
EXERT	STILLER	
TAN	NOTTOFLAYIT	
ACT	ERROLL	KENO
SAO	ROYALE	EDDY

BRIDGE

By Alan Truscott

IN the diagramed deal South found a brilliant way to make three no-trump, but an opponent missed a brilliant countermove.

In the partnership style, the raise of one diamond to two diamonds was strong and forcing. Three no-trump was the natural consequence, and West led the heart diamond.

South played low from dummy, and permitted East to win two tricks, with the eight and the queen. She won the third heart lead with the ace and led a diamond, hoping to duck a trick into the East hand. When the eight appeared, she had to win with the ace, and another diamond lead to the king revealed the bad break.

If West held the club queen, a finesse in that suit would give South eight tricks. The ninth had to come from a squeeze, and South tried to prepare for it by leading another diamond.

East won and had to make a crucial play. The winning defense, far from obvious, was to return a club, with the intention of leading another club if opportunity offered. This would have destroyed South's squeeze chance.

But East chose to shift to a spade, which was certainly the obvious choice. South won and led her last diamond, putting pressure on West. She had to give up her last spade, and when East won and continued spades, it was all over.

NORTH				EAST			
♠654	♥J5	♦A763	♣A75	♠K109	♥Q98	♦KQ42	♣1082
♠Q73	♥K24	♦Q8	♣Q842	♠A2	♥A	♦A53	♣75
♠A	♥A	♦A	♣A	♠A	♥A	♦A	♣A
North and South were vulnerable.				The bidding:			
South	1♣	2♦	3NT	North	1♣	2♦	3NT
West	1♥	2♥	3♥	East	1♥	2♥	3♥
West led the heart two.							

NBA Standings

EASTERN CONFERENCE				WESTERN CONFERENCE			
Atlantic Division				Midwest Division			
Philadelphia	55	16	202	San Antonio	38	28	244
Boston	52	20	279	Kansas City	40	26	250
New York	48	24	279	Denver	41	25	243
New York	48	24	279	Utah	44	22	243
Washington	42	30	319	Houston	38	34	279

